

WORLD NEWS

Lester Piggott free in £1m bail

The Commercial Union of Amateurs (CUA) has secured the release of Lester Piggott, arrested on a tax fraud charge, left court last night after paying nearly £1m in bail.

Walker resigns

Manchester Deputy Mayor John Walker has resigned from his post after three years in office.

Conservatives near deal

Conservative MPs are believed to be close to a deal on a new electoral system.

Arms prosecutor

A US judge and diplomat named as an arms prosecutor in the Iran arms deal.

Peaks and Turks fight

Peaks and Turkey blamed each other for border clashes which killed two Turkish and one Greek.

Yachtsmen sail

Yachtsmen were fading for French round-the-world yachtsmen.

Rhine sought

Rhine river states agreed to form an international Rhine commission to draft a plan for cleaning the polluted river by year 2000.

Hearing ends

Sydney court hearing of a case for stopping a former MI5 officer publishing his memoirs ended.

Adhi plot verdicts

Tamil Ranuana and Sukhviander were found guilty in a conspiracy to murder the Indian Premier Rajiv Gandhi in Britain last year.

Test over PLO

Identical in Kensington, west London, protested at plans by Palestine Liberation Organisation to open an office there.

Yan funds protected

Appeal Court moved to protect Libyan funds in the London branch of a US bank against any government moves against them.

Search stopped

Police called off until spring search for more victims of moorland murders, because of weather.

Enter moves south

Enter's first heavy snowfalls north England and midlands. A cold, showery week is forecast.

Defly

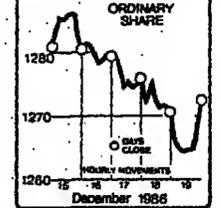
Defly rubbish collectors ended 2-day strike.

BUSINESS SUMMARY

Inquiry into defence purchasing

THE Defence Ministry said last night that the Downing Street efficiency unit would join it in a scrutiny of defence procurement policies following cancellation of GEC's £800m Nimrod project. Up to 1,500 GEC jobs are at risk.

FT INDEX



The FT Ordinary Share Index closed 1.5 higher at 1,272.1, showing a fall of 8.3 on the week.

LABOUR Party will demand a Government statement when Commons resumes after Christmas

LABOUR Party will demand a Government statement when Commons resumes after Christmas.

OPEC member countries were early today on the verge of agreeing to cut their limit on oil imports by more than 7 per cent and set a fixed price target of \$18 per barrel.

LONDON Metal Exchange and the Securities and Investment Board are close to agreement in the metals market's structure.

NYNEX, New York telephone operating company, made its first purchase outside the US by acquiring the UK software group Business Intelligence Services for £75m.

SIEMENS diversified UK industrial group, emphasised its move into electronic controls with an agreement to take a majority stake in Ranco of the US.

EUROPEAN Commission was sceptical about Japan's plans to reform its tax system for wines and spirits, which the EEC claims discriminates against imports.

VAT: New measures may boost the Government's value-added tax revenues by £300m next year.

PORT of Liverpool employers concluded a two-year pay and productivity deal, giving a 4 per cent rise each year, with the transport workers union representing 1,700 dockers.

SEALINK UK is to appeal against a High Court ruling that it broke the terms of a joint venture agreement to provide a ferry service to the Channel Islands.

SHEARSON Lehman Brothers was awarded a £5.2m interim payment against London Metal Exchange trader J. H. Rayner in a court case arising from the tin crisis.

BEC is continuing its withdrawal from central London to White City with the sale of Langham Hotel to Ladbroke Group for £26m.

FERMENTA's external auditors have discovered potential irregularities in the accounts of the Swedish biotechnology group amounting to SKr 500m (£50.4m).

Gorbachev emphasises change of style by ending Sakharov exile

BY PATRICK COCKBURN IN MOSCOW

DR ANDREI SAKHAROV, the most prominent Soviet dissident, is to be allowed to return from internal exile in the city of Gorki, 250 miles east of Moscow, and resume his work at the Soviet capital.

The unexpected announcement yesterday is the latest and most dramatic move by Mr Mikhail Gorbachev, the Soviet leader, to liberalise the political system and break with the legacy of the late Soviet leader, President Leonid Brezhnev.

Mr Brezhnev, who ruled the Soviet Union from 1964 to 1982 and was responsible for the exile of Dr Sakharov, was strongly criticised in the Soviet communist daily, Pravda, yesterday.

The two events appear to be an intentional gesture by the Kremlin to underline the break with the past.

Dr Sakharov, in exile since 1980, had asked the Soviet leadership to allow him to return to the capital. Mr Vladimir Petrovsky, Deputy Foreign Minister, said yesterday.

"The decision was taken to grant that request and to allow Dr Sakharov to return to Moscow. At the same time, the Presidium of the Supreme Soviet of the USSR decided to pardon Yelena Bonner (Sakharov's wife)," Mr Petrovsky said.

Dr Sakharov will be allowed to resume his work at the Soviet Academy of Sciences. Relatives of Dr Sakharov told Reuters that Mr Gorbachev had telephoned on Tuesday to tell the dissident of his release from exile.

The decision appears to be motivated by concern about the unfavourable publicity produced by Dr Sakharov's detention but is also in keeping with the more liberal atmosphere under Mr Gorbachev.

Mr Petrovsky said the authorities had taken into account "that Academician Sakharov had been staying in Gorki for a lengthy period of time."

Since the beginning of the year the Soviet authorities have moved systematically to defuse the human rights issue by releasing well-known dissidents. In addition, Dr Sakharov's exile has added to his stature as a martyr rather than isolating him from contacts with the western media in Moscow, as originally intended.

Dr Sakharov's release has been frequently urged by western political leaders. It was welcomed by the White House and by Sir Geoffrey Howe, the Foreign Secretary.

The announcement came hours after the Soviet news agency, Tass, had carried an unprecedented report of riots in the central Asian republic of Kazakhstan, apparently in protest at the appointment of a Russian as the republic's Communist Party leader.

The Soviet Foreign Ministry spokesman said that the trouble started in Alma Ata, the capital of Kazakhstan, after the local Communist Party meeting dropped Mr Dinmukhamed Kunayev, a Politburo member and leader of the republic for 20 years. "Several hundred students took to the streets," and the situation had been exploited by "hooligans," the official said.

Drawing attention to the fact that the unrest had been reported immediately by Tass in keeping with the new policy of openness, he said the situation had returned to normal.

Dr Sakharov, a key figure in the Soviet nuclear development, became an increasingly dissident figure during the 1960s, campaigning for civil liberties and human rights.

During the 1970s he became disillusioned with the prospects for domestic reform and looked ahead increasingly for support "The Western governments must try to obtain concrete results."

Continued on Back Page Sakharov profile, Page 2; Gorbachev era takes hold, Page 7

Reagan approves plan for rail-mounted MX missiles

BY LIONEL BARBER IN WASHINGTON

PRESIDENT Ronald Reagan approved plans yesterday to modernise the US land-based nuclear ballistic missile force by mounting 50 new MX missiles on railway wagons and starting full-scale development of the small mobile, single-warhead Midgetman missile.

The package adopts a Pentagon recommendation on the MX system, but rejects Pentagon options for a bigger, multi-warhead Midgetman.

The package, which could cost up to \$70bn (£50bn), must be approved by Congress. The MX-Midgetman blend is aimed at securing the support of Democrats who have opposed the multi-warhead MX.

The new intercontinental ballistic missile plan casts doubt on the Administration's commitment to tentative agreements with the Soviet Union on reducing nuclear stockpiles by 50 per cent in the next five years and to zero in the next 10 years.

By opting for the Midgetman, President Reagan has bowed to Congressional pressure for a single-warhead missile which can be secretly sited against Soviet attack but has retained the military's favoured MX missile, despite strong opposition from Congress.

The decision to mount the MX missiles on railway wagons comes after a series of disputes since 1972 when the Strategic Air Command first said they wanted a missile which could destroy enemy missile silos and command posts.

The MX missiles will be placed on wagons at military installations around the country during peace time, the White House said. During a national emergency they could be moved to the initial operating capability sites. A further \$20bn would go on the MX missiles.

Miles of tinsel herald record Christmas sales

BY CHRISTOPHER PARKES, CONSUMER INDUSTRIES EDITOR

SANTA'S been banished to the car park, Woolworths is running short of talking teddy bears and soccer-crowd control measures are in force in London's Regent Street—all part of the run-up to a Christmas when spending records are again expected to topple.

There are still five shopping days to go in some areas. Pump Lane, Hayes, north of London, is not one of them. Texas Homecare's three and a half years defiance of Sunday-opening laws there ended last weekend following High Court action by the local authority.

The store will be closed again tomorrow, but young visitors will have a chance for a final appeal to Santa Claus, who has been moved, grotto and all, to the parking area outside the store.

The company and more than 1,000 disappointed shoppers who called last weekend, were cross. Nonetheless, Homecare says most of its other 150 or so outlets will be open as usual on Sunday to make the most of the spending rush.

Earlier this week Britain's shopkeepers were puzzling over the slow start to the Christmas gift biz. Government figures which showed a starting rise in November retail sales did not match the evidence of their till roles.

They have now stopped fretting over last month's statistics and are gleefully totting up the December numbers.

Woolworth's reports the disappearance from its stores of 2,250 miles of tinsel and more than 100,000 Trivial Pursuit games. "Stocks of best-sellers like the talking bear, Teddy Ruxpin, are already running low," it claims, and sales of toys are up 50 per cent on the same period last year.

In the Argos catalogue show-rooms, part of the BAT group, Dr Mike Smith, chief executive, expects toy shortages in the next few days. Last year Transformers and My Little Pony were the hot items. This year supplies of the MASK character evolved from the Star Wars craze, seem likely to run out early.

The North Eastern Co-operative Society, one of the largest in the country, is expecting something of a binge. December sales targets for its 150 offices include 85,000 bottles of whisky, 130,000 bottles of wine, and 2.5m cans and bottles of beer.

Regent Street shoppers were irritated by police interference with the free flow of yolkwalkers in the patch of road around Liberty and Hamleys during the week but Mr Gerald Ratner, chief executive of the country's biggest jewellery chain believes people like "being pushed around."

From the security of his office, not far from the Oxford Street chaos, he suggests that the jostling is all part of the fun. "They don't like the big shopping malls so much," he claims, forecasting "The best Christmas we have ever had."

Sales in Ratner's outlets are up 50 per cent on last year, he claims, and the recently acquired H. Samuel chain is doing 40 per cent better.

The success stems from his policy of cranking the front of his windows with cheap earrings and gold chains. The appeal of glittering presents—many under £10—is as strong in London as in any of the group's stores in more depressed regions.

The Swatch wristwatch range is again selling strongly, and its new clip-on rival, Le Clip, seems to be trailing, Mr Ratner says.

Continued on Back Page

Anger as Arts Council freezes major grants

BY ANTHONY THORNCROFT

THE ARTS Council has frozen the cash subsidies to three of its largest grants recipients: The National Theatre, the Royal Shakespeare Company and the South Bank Board, which runs London's South Bank Complex including the Royal Festival Hall, will receive the same level of grant in 1987-88 as they had in the current year—£3.5m, £5.2m, and £3.6m respectively. In real terms, this means cuts of between 3 per cent and 6 per cent.

The move drew angry reactions yesterday from the Royal Shakespeare Company and from Sir Peter Hall, director of the National Theatre. It follows the Government's decision earlier this year to restrict the Arts Council's overall grant for 1987-88 to £138.4m. That was only 3.5 per cent up on the figure for the current year and well below the £164m the Council had been seeking.

The English National Opera is the only one of the big four national companies to receive more money, but its grant of £6.7m represents a 2.6 per cent cut.

Continued on Back Page

WEEKEND FT



YULETIME
"You have not heard of Slako? Please!" Malcolm Brodbery shares an invitation to spend the perfect non-Christmas in his favourite East European country. Page 1



HOW TO SPEND IT
Lost minute gifts. Page XI



FAKE FESTIVAL?
Robin Lane Fox unravels fact from fiction in the Bethlehem story. Page IX



FINANCE
Personal Equity Plans—the choice is yours from January 1. Page IV

EEC research programme in doubt after funds dispute

BY WILLIAM DAWKINS IN BRUSSELS

THE EEC research programme was thrown into confusion yesterday when ministers of member states abandoned a crucial meeting because the prospect of agreement on increased technology funding was considered to be remote.

The decision to cancel the meeting, which had been planned for Monday, means that the European Commission's ECU7.735bn (£5.5bn) research budget for 1987-91 hangs in the balance.

Thirty-one projects included in the definition phase of the advanced telecommunications programme known as Race will run out of cash by the end of the month, as will two smaller schemes covering medical research and science and technology in developing countries.

However, in the absence of an agreement on the EEC's overall budget for next year, they might well have run out of cash in any case.

The other seven projects under the current Ecu 3.5bn research programme, covering the four years to the end of 1987, will be able to continue. However, they will include no new work until the next phase of the programme is agreed on.

No date has been fixed for the minister's responsible for research to meet again.

Yesterday's move has angered the Commission, which as a result withdrew a compromise proposal put forward by Mr Karl-Heinz Narjes, Commissioner responsible for the sector, at the last research ministers' meeting for an interim three-year budget of Ecu 3.7bn.

Officials denied that this was evidence of a split within the Commission, but Mr Narjes' compromise offer appears to have been rejected by Mr Jacques Delors, the Commission's president, that the framework programme should be taken off the table if member states insisted on severe cuts in its funding.

A majority of member states wanted next week's meeting to go ahead regardless. But national officials were unwilling to press too hard against Britain's decision, as chairman of the Council of Ministers, that the Community was so deeply split over the proposals that there was no point in calling ministers to a meeting certain to be futile.

Britain, France, West Germany and the Netherlands—which wanted the meeting to be held—all urge big cuts in the Ecu 7.735bn proposals. The other member states broadly support the Commission's programme. They were only prepared to accept postponement of the meeting if Britain took full political responsibility.

An EEC official said yesterday that the Commission was unlikely to put forward any further compromise plans for a scheme which it sees as crucial to Europe's efforts to keep up with its competitors in high technology. "Every day lost now is an advantage to the Japanese and Americans," he added.

A Commission statement stressed that the proposal "should not be assimilated with a hasty decision." It expressed concern as to the serious consequences for industrial competitiveness which would be the result of the likely delay in taking decisions on specific programmes that were just about to be launched.

FREE GUIDE TO GILTS

HOW YOU CAN MAKE MONEY WHEN INTEREST RATES FALL

When interest rates fall, there will be significant profits to be made. For example, a 2% drop in interest rates could mean an 18% rise in capital value, on long-dated gilts.

Gilts still offer a return of over 11% a year—over 7½% higher than the current inflation rate. It's time to buy—the clever investor is already beginning to do so.

Etna's Gilt-Edged Bond is an actively managed fund which offers one of the most cost effective ways to invest in Gilts.

*No Front End Load—initial 5% saving over most gilt funds.

*Up to 90% cost savings over direct investment

*No Capital Gains Tax

*Up to 10% a year withdrawal facility

*Voted Financial Product of the Year 1986 by the Financial Weekly/Martin Paterson award panel—including first for value for money and investment performance

ACT NOW—while gilts are still cheap

Etna is the UK arm of the world's largest publicly quoted insurance group with assets equivalent to £38 billion. Etna Life Insurance Company Ltd, 401 St. John Street, London EC1V 4QE. Reg. No. J765220.

Please complete and send the coupon in an envelope addressed to: Etna Life Insurance Company Ltd, FREEPOST London EC1V 1NA. Or phone our Customer Care Centre—dial 100 and ask the operator for FREEPHONE Etna. The Centre is open 8am to 8pm each weekday.

Please send me my FREE Guide to Gilts and details of the Etna GILT-EDGED BOND to:

Name (in block letters) _____ Date of Birth _____

Address _____ Postcode _____

Name of usual Professional adviser (if any) _____

Etna PS. If you are self-employed or have no company pension, please tick the box so we can also send you details of Etna's new Gilt-Edged Pension Bond

Gilt-Edged BOND

ASSA

MARKETS

LLAR	
Yor	
M 1,994 (2,006)	
Fr 6,535 (6,567)	
Fr 1,677 (1,683)	
162.9 (162.825)	
dom:	
M 2,006 (2,009)	
Fr 6,575 (6,587)	
Fr 1,684 (1,687)	
163.15 (162.95)	
lar index 110.3 (110.0)	
clo close Y163.15	

CLOSING RATES

Funds 6.5% (6.4)	
month Treasury Bills:	
ield: 6.53% (6.72)	
ig Bond: 101.1% (101.13)	
ield: 7.36% (7.37)	

STERLING

New York \$1,431.5 (1,431)	
London \$1,433 (1,431)	
DM 2.575 (same)	
FF 4.82 (9.4275)	
SFR 2.415 (same)	
Y233.75 (233.25)	
Sterling index: 68.6 (68.5)	

LONDON MONEY

3-month interbank:	
closing rate 0.11% (11.4)	

NORTH SEA OIL

Brent 15-day Jan (Argus)	
\$16.25 (\$16.85)	

STOCK INDICES

FT Ord 1,272.1 (+1.5)	
FT-A All Share 815.15 (same)	
FT-SE 100 1,632.2 (+1.8)	
FT-A long gilt yield index:	
High coupon 10.49 (10.53)	
New York	
DJ 104 Av 1,828.85 (+18.03)	
Tokyo:	
Nikkei 18,890.03 (+206.31)	

Chief price changes yesterday, Back Page

ATTENTION: SELLING PRICES: Austria Sch 20; Belgium Sfr 45; Cyprus C\$1.75; Denmark Dkr 16; France Fr 6.5; Germany DM 2.3; Ireland Ir£ 0.78; Italy Lit 200; Japan Yen 136; Netherlands Gld 2.75; Norway Nkr 7.00; Portugal Esc 100; Spain Ptas 166.64; Sweden Sfr 7.00; Switzerland Sfr 2.20.

EEC sceptical over Japanese drinks tax plan

THE European Commission yesterday gave a sceptical reception to Japanese plans to reform the taxation system for wines and spirits...

US blocks move for freer trade

THE US yesterday blocked a programme for international trade liberalising talks by refusing to accept surveillance of commitments made by trade ministers in September.

British M15 compromise offer fades

THE BRITISH Government tried to wince carrot and stick to the M15 spy memoirs case yesterday, seeking to attack the defence after making an abortive move towards a compromise.

to decide the issues between the parties. If he were to resolve the question of principle, he said, they might negotiate for ever, only to come back to him...

Iran arms scandal prosecutor named

A PANEL of three federal US judges yesterday appointed Mr Lawrence Walsh, a distinguished 74-year-old lawyer, as the special prosecutor to lead a criminal investigation into the Iran arms scandal.

Iran arms scandal prosecutor named

THE US yesterday blocked a programme for international trade liberalising talks by refusing to accept surveillance of commitments made by trade ministers in September.

THE FREEDOM OF A TOP SOVIET DISSIDENT Scientist who speaks out for human rights

THE SOVIET dissident nuclear scientist Dr Andrei Sakharov, whose freedom from internal exile was announced yesterday, is hailed in the West as a champion of human rights...

Before Dr Sakharov was exiled in 1980 to the Volga city of Gorky, his regular meetings with Western reporters in his Moscow flat were a primary source of news on the fate of other dissidents.

Steven Butler in Bangkok and Robin Pauley, Asia Editor, look behind the reasons for the removal of Hanoi's old guard

Power transition sets Vietnam on road to economic reform

VIETNAM this week started the world with a power transition unprecedented among Communist nations. In a single stroke the three most powerful men in Hanoi — Truong Chinh, Premier Pham Van Dong and Le Duc Tho — were swept upstairs to advisory positions...

operations deeper into the country, and Vietnam now finds itself fighting a classic insurgency of the type it led for years against US troops in Vietnam.

state of Vietnam's economy clearly provided the ideal opportunity for removing the gerontocracy which had led the world's 12th largest nation to the defeat of major world powers but which had also turned the nation into one of the world's poorest.

challenge for the country's ageing rulers. It is significant that, among the economic reformers now emerging, many are from the South or have experience of it.

IMF chief calls for growth strategy

MR MICHAEL CADESSUS, the newly appointed managing director of the International Monetary Fund, yesterday called for a growth-oriented strategy in dealing with the problems of international debt...

Court supports Rumasa move

The last doubts as to whether Spain's Socialist Government was within its rights when it expropriated the Rumasa banking and industrial conglomerate shortly after taking office four years ago were dispelled last night by a ruling from the Constitutional Court...

Rhine nations call for clean-up plan

Environment ministers from countries along the Rhine agreed yesterday in a "Rotterdam declaration" to ask the International Rhine Commission to "draft a plan for cleaning up the heavily polluted river by the year 2000..."

US prices up 0.3%

US consumer prices rose a modest 0.3 per cent in November, the Labor Department reported yesterday. Daniel Barber reports from Washington. The November rise, coming after an October increase of 0.2 per cent, shows that inflation in the US is still being kept in check.

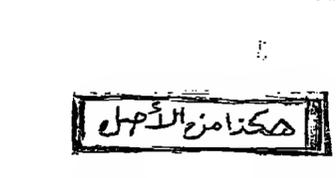
Close Dublin vote

The Irish Fine Gael-Labour coalition won the Christmas advertising debate in the Dail (lower house) yesterday, surviving a two-month session in which it slipped into a minority and was frequently on the brink of defeat...

S Africa protest

Sir Patrick Moberly, the British Ambassador to South Africa, acting on behalf of the 12 AEC member states, yesterday expressed grave concern at growing evidence of serious abuses of human rights in South Africa.

Lebanon clashes
Palestinian-linked Islamic fundamentalists in the northern part of Tripoli fought pitched battles against the Syrian army yesterday while clashes between Shi'ite forces and guerrillas continued unabated in Beirut.



OVERSEAS NEWS

Supporters rally to back Israeli economic reform

By Andrew Whitley in Jerusalem

SUPPORTERS OF the Israeli Government's radical economic programme, under fierce attack from the trade unions and sections of the Labour Party, have rallied to its defence ahead of tomorrow's key Cabinet debate.



Mr Moshe Nissim

At issue, its advocates argue, is a golden—possibly unique—opportunity to reduce the state's East European-style grip on economic life, and restore real growth.

Underlining the urgent need for stimulatory measures, the Treasury disclosed on Thursday that Israel's gross national product in 1986 will increase by a meagre zero to 1 per cent, compared with preliminary official forecasts of 2 per cent to 2.5 per cent.

A strong endorsement of the US-inspired proposals, which Mr Moshe Nissim, Finance Minister, says will open "a new era" for Israel, has meanwhile come from a senior Labour figure, Mr Moshe Shtal, the Energy Minister.

"We cannot consider growth without looking at what is going on in the US and Europe," warned Mr Shtal, echoing the Treasury's insistence on trying to bring the Israeli economy in line with the trend in Western industrialised countries.

According to preliminary figures, gross tax receipts rose to the equivalent of a record 58 per cent of GNP in the third quarter, up from 41 per cent in 1984, reducing available credit for the private sector to a minimum.

If Israel is to stem its worrying outflow of skilled technicians and other professionals, while attracting badly-needed foreign investment, taxes had

to come down, the Energy Minister said in an interview with the Financial Times.

Tomorrow's debate will be led by the Finance Minister—surprising his detractors with his firmness of resolve during his first real test—the Treasury is insisting that the reform proposals accompanying the draft 1987 fiscal budget be dealt with as a whole, not piecemeal, as some have urged.

Tomorrow's debate will be led by the Finance Minister—surprising his detractors with his firmness of resolve during his first real test—the Treasury is insisting that the reform proposals accompanying the draft 1987 fiscal budget be dealt with as a whole, not piecemeal, as some have urged.

Turkish package seeks to stimulate private industry

By David Barchard in Ankara

TURKEY HAS announced a package of reforms to stimulate private industry and the growth of capital markets. It includes the establishment of an export credit and insurance system, tax and other incentives for private companies to go public, and a bonus allowance scheme to help home-owners purchase industrial shares.

The package also includes a scheme for the proceeds of sale of state industries to be reinvested by the Government in stocks and shares of promising sectors and then sold to the public through the stock exchange.

The Government will also introduce measures to bail out certain companies in financial difficulties provided that they strengthen their capital structure and change their management. These include exemption from some taxation for up to three years and tax relief on depreciation at the same rate as inflation.

"The new policy will not impose any burden on the state," said Prime Minister

Craxi under fire over freeing of Iranian ship

By Alan Friedman in Milan

CONTROVERSY was growing in Italy yesterday over a decision by Prime Minister Bettino Craxi to permit an Iranian cargo ship to leave Genoa with a young Iranian stowaway aboard who last Saturday was said to have sought political asylum.

Mr Craxi authorised the Iran Jahad to leave Italian waters only a few hours after six Italian businessmen and government officials had their passports seized at Tehran airport in retaliation by the Government of Iran.

Mr Craxi yesterday denied that there had been a political change of heart and maintained that under international law Italy had no right to prevent the Iranian ship from sailing.

Immediately after the ship was allowed to leave, however, the Italians being held at Tehran airport had their passports restored and were moved to the Italian embassy in Tehran. The Italians included executives from Fiat, Banco di Roma and Telettra, as well as a director of the Italian government's Foreign Trade Institute.

The affair began last weekend when Mr Amir Albogino, a 22-year-old Iranian from the ship was said to have sought political asylum in Italy. Earlier this week Tehran began threatening retaliation unless the ship was allowed to leave Italian waters.

Budapest debates ways to end stagnation in economy

By Leslie Colitt in Budapest

THE HUNGARIAN Government and Parliament met to discuss ways to pull the economy out of a serious tailspin.

Mr Georgy Lazar, the Prime Minister, told Parliament yesterday that economic growth next year would be at least 2 per cent and zero growth in 1988. The economic reform programme, begun in 1968 to create market socialism, is to press forward.

Further price, wage and tax reforms are to be introduced while subsidies to loss-making companies are to be reduced.

Watchdog puts curbs on share dealer

By Eric Short

RESTRICTIONS HAVE been imposed on Financial Management Services (FMS), a share-dealing service, following complaints from the public.

Action was taken by the Financial Intermediaries, Manager and Brokers Regulatory Association (Fimbra) yesterday pending clarification of the company's affairs.

FMS, which emphasises dealing in British Gas shares at its London and Nottingham offices, reacted immediately by lodging written notice of appeal against the directions.

Fimbra is one of the self-regulatory organisations preparing to be recognised under the new financial services regulatory framework. It concentrates on supervising investment firms which deal with the general public.

Fimbra's chief executive has exercised the power under rule 4 of its rules to impose the following restrictions:

• FMS must not solicit business from, or otherwise deal with the public except through individuals registered with Fimbra.

• All cheques must be signed by a director or employee of the company, other than Mr Lindell (a 5 per cent director) as well as by a partner in the company's auditors.

• To lodge all clients' money in a separate bank account, not at its usual bank, with the account effectively a trustee account. Fimbra emphasised that this was to ensure there was a separate bank account if this was not already the case.

• Finally, unless FMS could produce within five working days of receipt of these directions evidence that the required liquidity margin was being maintained in assets of adequate value, the company must immediately cease to solicit business from the public.

Fimbra claims to have been seeking this information since September. FMS claims that it is solvent and submitted the necessary documents to Fimbra this week, hand-delivered.

Shearson wins \$5.2m award in tin case

By Raymond Hughes, Law Courts Correspondent

SHEARSON Lehman Brothers, owned by American Express, has been awarded a \$5.2m intertia payment against H. Rayner (Mining Lane), a London Metal Exchange trader, in a court case arising out of the tin crisis.

The Court of Appeal said yesterday that a Commercial Court judge had been wrong to decide that he had no power under court rules to make the award to Shearson.

The appeal judges said the minimum Shearson would recover in assets of the case was \$5.2m, representing damages for Rayner's non-acceptance of tin it had contracted to buy from Shearson.

UK NEWS

City backs Glaxo's winning streak

Roby Jackson looks at the market potential for a new anxiety drug

GLAXO found a successor to its wonder drug Zantac? The stock market seems to think so.

Yesterday the group gave official details of its development of a treatment for anxiety and schizophrenia, but even before the announcement advanced rumours this week had driven the Glaxo share price up by nearly 15 per cent, adding almost £1bn to its market value.

The rise was due not to inside trading but to quite legitimate beavering by a big firm of London stockbrokers.

Those unacquainted with the drug industry or the stock market might think £1bn a lot to pay for a hope and a promise. A new drug can be killed at any time in its development by the discovery of adverse effects and Glaxo's treatment has still at least three years to go before reaching the market.

The extravagance of the reaction can be explained by Zantac, the ulcer treatment which this year became the biggest-selling prescription drug in the world.

This week, Glaxo announced that Zantac sales had reached more than £700m—or, put another way, the drug had become the first in the world to break the \$1bn barrier.

This means the drug accounts for something like half of Glaxo's turnover and even more of its profits. Since the group's stock market value is close on £8bn, Zantac could be conservatively valued at £5bn.

But is the new drug in that class? Known so far only as GR58032F—fancier names given to it in the press this week have no foundation—it has three areas of potential application.

First and probably most important, it is a treatment for anxiety, comparable to drugs like Valium, but unlike them, apparently not causing dependence. Second, it is claimed as a treatment for schizophrenia. Last and probably least in commercial terms, it is a powerful anti-emetic which should be of use in combating the vomiting

caused by anti-cancer drugs. Glaxo estimates the present world market for anti-anxiety drugs at around £1bn a year and for schizophrenia drugs at half that. For the new drug to be as big as Zantac it would have to claim half of both markets—which is the share Zantac has of the world market for ulcer drugs.

In fact, the betting in the City is that the drug's potential is at least \$500m. This would still put it in the wonder drug category, commercially speaking. In the drug industry, a product with sales a tenth of that counts as a useful property.

For the same company to come up with two drugs on that scale in succession is extraordinary, in terms of both scientific ability and sheer luck. The new drug, Glaxo says, is in the early stages of what are clinically known as phase two trials—that is, it is being used in humans, after initial animal experiments.

The group's estimate of three years to get the drug to the market is surprising. But Mr Paul Girolami, Glaxo's chairman, places great importance on getting new drugs to the world market as quickly as possible and has a formidable record of doing so. Glaxo is at pains to emphasise that it is still early days in the drug's development, but there is no disguising the

group's excitement. The potential of the discovery may extend to further treatments. The drug's action is complex, but in principle is analogous to beta-blocker heart drugs or ulcer drugs, like Zantac, in that it acts by blocking off receptors—points in the body's cells which respond to natural chemical stimuli.

In the last couple of years, Glaxo's researchers have identified a new class of receptors—5HT₂ receptors, in technical language—which seem to have wide-ranging effects in affecting mental states. This takes the group for the first time into one of the big areas of drug therapy—the central nervous system—and there are clearly plans to develop a family of drugs around the 5HT₂ receptor principle.

Given Glaxo's lead in the physiological principles involved, it should stay well ahead of the competition in developing drugs based on them.

UK NEWS

City backs Glaxo's winning streak

Roby Jackson looks at the market potential for a new anxiety drug

GLAXO found a successor to its wonder drug Zantac? The stock market seems to think so.

Yesterday the group gave official details of its development of a treatment for anxiety and schizophrenia, but even before the announcement advanced rumours this week had driven the Glaxo share price up by nearly 15 per cent, adding almost £1bn to its market value.

The rise was due not to inside trading but to quite legitimate beavering by a big firm of London stockbrokers.

Those unacquainted with the drug industry or the stock market might think £1bn a lot to pay for a hope and a promise. A new drug can be killed at any time in its development by the discovery of adverse effects and Glaxo's treatment has still at least three years to go before reaching the market.

The extravagance of the reaction can be explained by Zantac, the ulcer treatment which this year became the biggest-selling prescription drug in the world.

This week, Glaxo announced that Zantac sales had reached more than £700m—or, put another way, the drug had become the first in the world to break the \$1bn barrier.

This means the drug accounts for something like half of Glaxo's turnover and even more of its profits. Since the group's stock market value is close on £8bn, Zantac could be conservatively valued at £5bn.

But is the new drug in that class? Known so far only as GR58032F—fancier names given to it in the press this week have no foundation—it has three areas of potential application.

First and probably most important, it is a treatment for anxiety, comparable to drugs like Valium, but unlike them, apparently not causing dependence. Second, it is claimed as a treatment for schizophrenia. Last and probably least in commercial terms, it is a powerful anti-emetic which should be of use in combating the vomiting

caused by anti-cancer drugs. Glaxo estimates the present world market for anti-anxiety drugs at around £1bn a year and for schizophrenia drugs at half that. For the new drug to be as big as Zantac it would have to claim half of both markets—which is the share Zantac has of the world market for ulcer drugs.

In fact, the betting in the City is that the drug's potential is at least \$500m. This would still put it in the wonder drug category, commercially speaking. In the drug industry, a product with sales a tenth of that counts as a useful property.

For the same company to come up with two drugs on that scale in succession is extraordinary, in terms of both scientific ability and sheer luck. The new drug, Glaxo says, is in the early stages of what are clinically known as phase two trials—that is, it is being used in humans, after initial animal experiments.

The group's estimate of three years to get the drug to the market is surprising. But Mr Paul Girolami, Glaxo's chairman, places great importance on getting new drugs to the world market as quickly as possible and has a formidable record of doing so. Glaxo is at pains to emphasise that it is still early days in the drug's development, but there is no disguising the

group's excitement. The potential of the discovery may extend to further treatments. The drug's action is complex, but in principle is analogous to beta-blocker heart drugs or ulcer drugs, like Zantac, in that it acts by blocking off receptors—points in the body's cells which respond to natural chemical stimuli.

In the last couple of years, Glaxo's researchers have identified a new class of receptors—5HT₂ receptors, in technical language—which seem to have wide-ranging effects in affecting mental states. This takes the group for the first time into one of the big areas of drug therapy—the central nervous system—and there are clearly plans to develop a family of drugs around the 5HT₂ receptor principle.

Given Glaxo's lead in the physiological principles involved, it should stay well ahead of the competition in developing drugs based on them.

UK NEWS

City backs Glaxo's winning streak

Roby Jackson looks at the market potential for a new anxiety drug

GLAXO found a successor to its wonder drug Zantac? The stock market seems to think so.

Yesterday the group gave official details of its development of a treatment for anxiety and schizophrenia, but even before the announcement advanced rumours this week had driven the Glaxo share price up by nearly 15 per cent, adding almost £1bn to its market value.

The rise was due not to inside trading but to quite legitimate beavering by a big firm of London stockbrokers.

Those unacquainted with the drug industry or the stock market might think £1bn a lot to pay for a hope and a promise. A new drug can be killed at any time in its development by the discovery of adverse effects and Glaxo's treatment has still at least three years to go before reaching the market.

The extravagance of the reaction can be explained by Zantac, the ulcer treatment which this year became the biggest-selling prescription drug in the world.

This week, Glaxo announced that Zantac sales had reached more than £700m—or, put another way, the drug had become the first in the world to break the \$1bn barrier.

This means the drug accounts for something like half of Glaxo's turnover and even more of its profits. Since the group's stock market value is close on £8bn, Zantac could be conservatively valued at £5bn.

But is the new drug in that class? Known so far only as GR58032F—fancier names given to it in the press this week have no foundation—it has three areas of potential application.

First and probably most important, it is a treatment for anxiety, comparable to drugs like Valium, but unlike them, apparently not causing dependence. Second, it is claimed as a treatment for schizophrenia. Last and probably least in commercial terms, it is a powerful anti-emetic which should be of use in combating the vomiting

caused by anti-cancer drugs. Glaxo estimates the present world market for anti-anxiety drugs at around £1bn a year and for schizophrenia drugs at half that. For the new drug to be as big as Zantac it would have to claim half of both markets—which is the share Zantac has of the world market for ulcer drugs.

In fact, the betting in the City is that the drug's potential is at least \$500m. This would still put it in the wonder drug category, commercially speaking. In the drug industry, a product with sales a tenth of that counts as a useful property.

For the same company to come up with two drugs on that scale in succession is extraordinary, in terms of both scientific ability and sheer luck. The new drug, Glaxo says, is in the early stages of what are clinically known as phase two trials—that is, it is being used in humans, after initial animal experiments.

The group's estimate of three years to get the drug to the market is surprising. But Mr Paul Girolami, Glaxo's chairman, places great importance on getting new drugs to the world market as quickly as possible and has a formidable record of doing so. Glaxo is at pains to emphasise that it is still early days in the drug's development, but there is no disguising the

group's excitement. The potential of the discovery may extend to further treatments. The drug's action is complex, but in principle is analogous to beta-blocker heart drugs or ulcer drugs, like Zantac, in that it acts by blocking off receptors—points in the body's cells which respond to natural chemical stimuli.

In the last couple of years, Glaxo's researchers have identified a new class of receptors—5HT₂ receptors, in technical language—which seem to have wide-ranging effects in affecting mental states. This takes the group for the first time into one of the big areas of drug therapy—the central nervous system—and there are clearly plans to develop a family of drugs around the 5HT₂ receptor principle.

Given Glaxo's lead in the physiological principles involved, it should stay well ahead of the competition in developing drugs based on them.

UK NEWS

City backs Glaxo's winning streak

Roby Jackson looks at the market potential for a new anxiety drug

GLAXO found a successor to its wonder drug Zantac? The stock market seems to think so.

Yesterday the group gave official details of its development of a treatment for anxiety and schizophrenia, but even before the announcement advanced rumours this week had driven the Glaxo share price up by nearly 15 per cent, adding almost £1bn to its market value.

The rise was due not to inside trading but to quite legitimate beavering by a big firm of London stockbrokers.

Those unacquainted with the drug industry or the stock market might think £1bn a lot to pay for a hope and a promise. A new drug can be killed at any time in its development by the discovery of adverse effects and Glaxo's treatment has still at least three years to go before reaching the market.

The extravagance of the reaction can be explained by Zantac, the ulcer treatment which this year became the biggest-selling prescription drug in the world.

This week, Glaxo announced that Zantac sales had reached more than £700m—or, put another way, the drug had become the first in the world to break the \$1bn barrier.

This means the drug accounts for something like half of Glaxo's turnover and even more of its profits. Since the group's stock market value is close on £8bn, Zantac could be conservatively valued at £5bn.

But is the new drug in that class? Known so far only as GR58032F—fancier names given to it in the press this week have no foundation—it has three areas of potential application.

First and probably most important, it is a treatment for anxiety, comparable to drugs like Valium, but unlike them, apparently not causing dependence. Second, it is claimed as a treatment for schizophrenia. Last and probably least in commercial terms, it is a powerful anti-emetic which should be of use in combating the vomiting

caused by anti-cancer drugs. Glaxo estimates the present world market for anti-anxiety drugs at around £1bn a year and for schizophrenia drugs at half that. For the new drug to be as big as Zantac it would have to claim half of both markets—which is the share Zantac has of the world market for ulcer drugs.

In fact, the betting in the City is that the drug's potential is at least \$500m. This would still put it in the wonder drug category, commercially speaking. In the drug industry, a product with sales a tenth of that counts as a useful property.

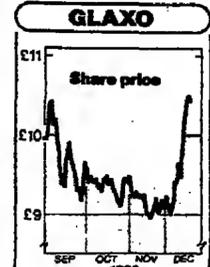
For the same company to come up with two drugs on that scale in succession is extraordinary, in terms of both scientific ability and sheer luck. The new drug, Glaxo says, is in the early stages of what are clinically known as phase two trials—that is, it is being used in humans, after initial animal experiments.

The group's estimate of three years to get the drug to the market is surprising. But Mr Paul Girolami, Glaxo's chairman, places great importance on getting new drugs to the world market as quickly as possible and has a formidable record of doing so. Glaxo is at pains to emphasise that it is still early days in the drug's development, but there is no disguising the

group's excitement. The potential of the discovery may extend to further treatments. The drug's action is complex, but in principle is analogous to beta-blocker heart drugs or ulcer drugs, like Zantac, in that it acts by blocking off receptors—points in the body's cells which respond to natural chemical stimuli.

In the last couple of years, Glaxo's researchers have identified a new class of receptors—5HT₂ receptors, in technical language—which seem to have wide-ranging effects in affecting mental states. This takes the group for the first time into one of the big areas of drug therapy—the central nervous system—and there are clearly plans to develop a family of drugs around the 5HT₂ receptor principle.

Given Glaxo's lead in the physiological principles involved, it should stay well ahead of the competition in developing drugs based on them.



Court acts to protect Libyan funds

By Raymond Hughes, Law Courts Correspondent

THREE APPEAL COURT judges yesterday acted to protect Libyan funds in the London branch of an American bank against possible future moves against Libyan assets by the US Government.

The judges ordered the London branch of Bankers Trust Corporation, of New York, to give solicitors acting for Libyan Arab Foreign Bank 48 hours' notice before acting on any instructions received from the US in respect of the Libyans' account.

The order came after the court had given its reasons for allowing, on December 4, Bankers Trust's appeal against a High Court ruling giving the Libyan bank immediate judgment on its claim for \$1m (£91m) frozen in its London account as a result of sanctions by President Reagan in January on Libyan assets in US banks.

The High Court had held that Bankers Trust had no defence to the claim, part of the Libyan bank's \$300m action against Bankers Trust.

The Appeal Court judges gave Bankers Trust notice to defend the claim when the action comes up for full trial next June.

The case, which involved an investigation of the practices in the Eurodollar market and of US extrajurisdictional powers, was too complex to be dealt with summarily, they said.

Mr Peter Creswell, QC, for the Libyan bank, asked that it be protected by the court pending the trial. It was, he said, concerned that the US Government might take further steps that would compel Bankers Trust to transfer funds from the London account to New York.

BZW to boost capital by £50m

By David Lascelles

BARCLAYS DE ZOETE WEDD, the new investment banking arm of Barclays Bank, is to increase its capital by £50m, to £250m. The new capital, which will come from Barclays Bank, is part of a planned increase in the group's resources.

Lord Camoys, BZW's chief executive, said yesterday the funds would enable the firm to complete the acquisition of Wall Street Clearing, the US discount broking operation which will strengthen its presence in the

US securities business. It will also go towards establishing the group's planned securities business in Tokyo when the Japanese authorities grant a licence, which BZW hopes will occur early next year.

The firm is one of the largest of the new banking-securities groups to have emerged with the Big Bang stock market revolution. Lord Camoys said the group's equity business had increased sharply in volume since

the Big Bang and that its gilt dealing business was larger than expected.

Samuel Montagu Securities, an investment banking subsidiary of Midland Bank, has obtained a securities licence from the Japanese authorities to establish a branch in Tokyo. For regulatory reasons the operation will be a joint venture with London & Manchester, the UK life assurance group. It will start business in the middle of next year.

His announcement of the new tax provisions came in a parliamentary written reply yesterday.

It followed lengthy talks between officials and private sector bodies since the Government published in August its controversial consultation document, VAT Input Tax: Origin and Scope of the Right to Deduct.

Mr Lawson seems to have scrapped plans to restrict companies' rights to form VAT groups.

But he said Customs officers would take a new tough line about refusing applications for group treatment if they had to go so far to protect tax revenue.

Mr Lawson said the present VAT "partial exemption" rules were "open to serious distortion." He announced two sets of amendments aimed at reducing the complexities for businesses calculating their exemptions.

As a gesture towards London's securities markets, he said consideration was being given to exempting from VAT the supply of services in relation to capital issues.

There had been fears that the revised partial exemption rules would have "an adverse and distortive effect" on recovery of input tax in respect of issues of securities, Mr Lawson admitted.

Fidentia fund pays out £550,000

By Nick Bunker, Insurance Correspondent

ABOUT 900 underwriting members of Lloyd's of London, the insurance market, are to get more than £550,000 between them this Christmas as part of a settlement of the long-running "Fidentia" affair.

The recipients were all members—or names—on Lloyd's syndicates managed by Mr Raymond Brooks and Mr Terence Dooley. Both men were disciplined by Lloyd's two years ago for their role in the affair.

Lloyd's had found that more than £6.2m in syndicate funds belonging to the 900 names had been improperly channelled into Fidentia Marine Insurance Company, a Bermuda-based insurer controlled by Mr Brooks and Mr Dooley.

A settlement was agreed in June, providing for the names to receive money from Fidentia and other offshore companies linked to the two men.

The pay-out has been made via a recovery fund set up on the name's behalf. Mr Mark Farrer, a solicitor who is one of the fund's trustees, said it had declared an after-tax dividend this week of £553,000.

Mr Farrer is also chairman of a representative committee of the 900 names. He said the committee hoped the trustees would be able to clear up similar dividends in December 1987 and December 1988.

Last month Lloyd's completed its last disciplinary proceedings in the Fidentia affair.

Machine-readable passport planned

By Terry Dodsworth

A NEW TYPE of machine-readable passport which will be much more difficult to forge is likely to be introduced in the UK at the end of next year.

The new passport, planned to coincide with similar launches throughout western Europe, is part of a £5m programme to computerise the passport Office.

Machines to encode passports with characters that can be recognised by an optical reading device will be introduced.

Behind the changes is a ten-year-old campaign by the International Civil Aviation Organisation to make passports less easy to forge. ICAO, a United Nations agency, argues that more secure passports would improve airport security and help combat drug trafficking, while also helping airports speed up the processing of passengers.

According to ICAO, a page of the new passports will be encoded and laminated to make them difficult to alter.

The contract to install the computerised system has gone to Software Sciences, a subsidiary of the Thorn EMI electrical group. Software Sciences' best EDS, the US-based data processing company, in a controversial tendering battle, in which EDS staff were accused of being less than totally truthful in dealing with UK immigration officials.

J. Rothschild Holdings plc 10 YEARS OF CONSISTENT GROWTH. Table showing Net assets, Dividends, and Net assets per share from 1976 to 1986. Includes interim report for 30 September 1986.

FORCED DISPOSAL SALE PER CUSTOMS WAREHOUSING REGULATIONS OF 1979, NOTICE 232. NOTICE GIVEN BY HER MAJESTY'S CUSTOMS & EXCISE. A MAMMOTH INVENTORY OF OVER 3500 PERSIAN AND ORIENTAL RUGS AND CARPETS. SALE NOW ON DAILY 9AM-9PM INCLUDING TODAY, SATURDAY & TOMORROW, SUNDAY. AT THE WAREHOUSE, ROXBAY PLACE LONDON SW6.

Agreement on metals market likely soon

BY STEFAN WAGSTYL

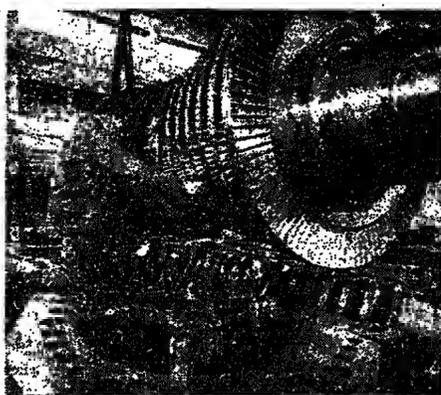
THE LONDON Metal Exchange and the Securities and Investments Board, the City markets watchdog, are close to agreement on the future structure of the metals market.

Piggott set £1m bail on tax fraud charge

FORMER champion jockey Lester Piggott, who was arrested on a tax fraud charge, left a court last night after raising a £1m bail for bail.

Nick Garnett examines the problems caused by falling demand for boilers and turbines Power plant-makers begin to run out of steam

BABCOCK POWER's decision this week to axe more than 600 jobs at its boiler-making plant at Renfrew, Scotland, was a vivid sign of the shortage of work affecting many power-generation plant manufacturers.



Turbine generators being made by GEC at Rugby, for the Castle Peak B power-station in Hong Kong

to the Indian Government on whether NEI or GEC should take the lead role on the Riband Two NEI power station project as turbine contractor on Riband One, has had a difficult time of it.

Ford prices to rise 3.5%

FORD, the UK car market leader is to raise prices by an average of 3.5 per cent on January 1.

C E Heath fills top vacancies

C. E. HEATH, the troubled insurance broking group, has appointed four men to fill top executive posts left vacant by Thursday's mass defection of senior brokers.

Ladbroke in £26m BBC office deal

By Paul Cheseright. Property Correspondent. THE BBC's withdrawal from central London to premises in the suburbs, at White City, is continuing with the £26m sale of the Langham Hotel to Ladbroke Group.

Home insulation grants cut

THE GOVERNMENT yesterday announced a drastic cut in home insulation grants, which in future will be available only to people on low incomes.

Sealink to appeal over ferry ruling

SEALINK UK yesterday announced that it would appeal against a High Court ruling that it broke the terms of a joint venture agreement to provide a ferry service to the Channel Islands.

Advertisement for Queen Elizabeth 2 cruise ship, featuring a large image of the ship and text: 'PAY THIS YEAR'S PRICE TO SAIL QE2 TO NEW YORK NEXT YEAR.'

Stockholding firm to begin trading

A NEW LONDON stockbroking firm, Henderson White Jenkins, is to start trading on Monday in a realignment of the securities subsidiaries of Guinness Peat Group, the financial services conglomerate.

EEC reduces trade barriers

A TOTAL of 41 measures to reduce barriers to trade within the EEC have been agreed during the UK's presidency of the European Council.

Move to revive long-range aircraft talks

MINISTERS ARE planning to steer Airbus Industries, in which British Aerospace has a 20 per cent stake, towards reopening talks with McDonnell Douglas, the US aeroplane makers, with a view to co-operating on development of a long-range aircraft.

Two sentenced for video VAT fraud

TWO MEN whose company produced and sold a computer program which allowed businessmen to reduce their VAT and corporation tax payments at the touch of a button were given suspended jail sentences at Derby Crown Court yesterday.

Advertisement for Christiania Bank og Kreditkasse (the 'Bank'), including a notice to holders of subordinated notes and a notice regarding the bank's liquidation.

Growth rate slows in third quarter

THE UK Government bond market will next week have the opportunity to bid for index-linked stock with the longest maturity of any gilt issued so far.

Two sentenced for video VAT fraud

Mr Anthony Glass, QC, prosecuting, said the programme was, in itself, innocent enough, but had been built-in "dishonesty".

BASE LENDING RATES

A table listing various banks and their base lending rates, including columns for bank names and interest rates.

UK NEWS-LABOUR

BBC reprieve as electricians postpone action

By Helen Hague, Labour Staff

THE POTENTIAL threat to BBC Christmas programmes was lifted yesterday by the electricians' union EETPU.

Tass studies Hangar offer

By Jimmy Burns

THE manufacturing union Tass was still considering yesterday a revised management offer from the judicial limb manufacturer J. E. Hangar in spite of the resolve of striking members to continue the three-month dispute.

Civil servant named as next Acas chairman

By Philip Bassett, Labour Editor

LORD YOUNG, the Employment Secretary, confirmed yesterday the appointment of Mr Douglas Smith, a deputy secretary at the Department of Employment, to succeed Sir Pat Lowry as chairman of the Advisory, Conciliation and Arbitration Service.

David Brindle reports on a three-way conflict Christmas dismay at Silentnight

LAST Christmas, the furniture workers' union FTAT sent a turkey to its members dismissed by Silentnight Beds.

The decision officially to end the dispute was taken on a unanimous vote of FTAT's general executive committee, the union said yesterday in a statement sent to the TUC and its affiliated organisations.

The statement said: "There is a need to recognise that in spite of the most generous and active support from all wings of the labour movement, the union is no closer to a resolution of this dispute than it was on the day on which it commenced."

It added "It should be appreciated that it has been a long, difficult and expensive dispute which has had a severe effect on the resources of the union and regrettably can no longer be sustained."

On Thursday, when the decision was known but unannounced, a mood of deep gloom descended with the torrential rain, sleet and snow on the tiny strike headquarters behind a clothes shop in the north-east Lancashire town of Barnoldswick.

About 20 strikers from the Silentnight factories in the town and in the Yorkshire village of Sutton-in-Craven nearby gathered to voice their dismay at their union's abandonment of them, but resolved to "carry on regardless."

Such support has been much in evidence, particularly from mining communities which went through hardship in the 1984-85 coal strike. There has also been a well-publicised campaign in the labour movement to boycott the purchase of Silentnight beds

APPOINTMENTS

British Alcan chairman

BRITISH ALCAN ALUMINIUM has elected Lord Peyton of Yeovil as non-executive chairman. A former Minister of Transport, he is a director of the parent company, Alcan Aluminium Ltd, Montreal.

On January 1 the BRITISH AEROSPACE naval and electronic systems division will be formed from the amalgamation of the electronic systems and equipment division and the naval weapons division.

On this, Mr Charlie Gee, former FTAT renegade director at Silentnight, says: "Yes, we have been becoming more radical as the dispute has gone on. That's inevitable. But we're the ones who began this dispute and we're the ones who are directing it."

At LAZARD BROTHERS & CO. Mr Douglas Bushnell, Mr Gerald Craig-McCully, Mr Christopher Fisher, Mrs Frances Heaton, Mr Gordon Johnson and Mr Charles Perkins will be appointed executive directors on January 1.

COROLINA BANK, the merchant bank subsidiary of NCNB Corporation, has appointed Mr David Ellis, bond trader, director for the corporate finance, as associate directors.

TSB ENGLAND & WALES has appointed Mr John H. Fairhurst as regional director for the North West, Mr Fairhurst joins from N. M. Rothschild where he was northern board director and as assistant director, Mr R. W. O. Scaden becomes regional adviser for the TSB in Peterborough, covering the East Midlands and East Anglia.

Mr Charles D. H. Bryant has been appointed chief administrative manager for the TSB GROUP'S investment banking sector from January 1. He is currently assistant general manager, marketing, sales and distribution group treasury. He will have overall responsibility for finance, operations, systems, personnel, risk management, planning, communications, secretariat and compliance and audit within group treasury and the Samuel Montagu companies.

Mr Hans van den Houten has been appointed managing director of EURO-RATINGS, a newly established joint venture credit rating agency. Mr van den Houten remains vice president-director of the international division of Fitch Investor Services Inc where he was instrumental in the creation of Euro-Ratings.

Mr Ian Reed has been appointed assistant general manager, finance, with the MANUFACTURERS LIFE IN City of Westminster Assurance.

On January 1 Mr Chris Britton will become deputy chairman of CALENDARS AND DIARIES OF BRITAIN. Mr Brian Hennah will become managing director. Mr Hennah has held senior appointments in paper, packaging, publishing and printing within the DRG Group. Paper Company and Consolidated Holdings, Nairobi.

ASPEN COMMUNICATIONS has made the following appointments to the board: Mr Bryan Whitman, joint managing director of Aspen Television; Mr Edward Balding, managing director of Clearstone Telecom; Mr G. A. Walker, managing director of ACT Preprint; Mr James Benn, joint managing director of Aspec Television; Mr Nicholas Alwyn, managing director of Spalax Television.

Mr William Bulst-Wells, Mr David Roberts and Mr Michael Ross will be appointed assistant directors from January 1. All are 31 present managers. Mr David Thomson and Mr Alan Whitaker will resign as directors from December 31. Professor Tadeusz Rychynski, economic adviser, will be retiring on December 31.

Mr George H. Moor has been appointed to the board of STORNGARD as group financial director.

Sir Rowland Whitehead has been appointed managing director of BROWN SHIPLEY MERGERS & ACQUISITIONS.

At COMMERCIAL UNION ASSURANCE Mr J. G. T. Carter, general manager, UK division and Mr A. B. Ryan, general manager, investments and finance, will become directors on January 1.

BT unions link over action

By Jimmy Burns, Labour Staff

THE prospect of British Telecom's services being disrupted in the New Year increased yesterday when the two big unions within the company agreed to co-ordinate industrial action over a general pay offer.

The Society of Telecom Executives—representing white-collar workers—and the National Communications Union—representing blue-collar workers and engineers—agreed to set up joint local committees to make their respective actions more effective.

The NCU plans to have the committees fully operational from January 5, when its members are due to begin their action with general non-cooperation.

The STE, which on Wednesday announced the result of its first ballot in support of industrial action, said that it would instruct its members to adopt a similar strategy after January 5 unless the company came up with a revised offer. It said there had been no progress in meetings with BT this week.

The NCU plans to escalate the dispute in stages with an overtime ban from January 12. This may seriously affect BT's services, say union officials.

TREND OF INDUSTRIAL PROFITS ANALYSIS OF 208 COMPANIES

THE CONSUMER goods sector outperformed capital goods in the FT's most recent analysis of trends in industrial profits.

208 companies which reported year-end figures between Jan 1 and March 31 this year and sets them out according to the categories used in the daily FT-Actuaries Share Indices Table.

encouraging performance from mechanical engineering where 12 companies reported an average 22.7 per cent profits increase.

In the financial sector, probably the most impressive performance was reported by 19 companies increasing earnings by 28.1 per cent.

Figures are in £m, with the previous year's numbers in brackets.

It was the electronics sector that held back growth in capital goods; the 10 companies reporting revealed an average drop in pre-tax profits of 12.5 per cent. That overshadowed an

encouraging performance from mechanical engineering where 12 companies reported an average 22.7 per cent profits increase.

In the financial sector, probably the most impressive performance was reported by 19 companies increasing earnings by 28.1 per cent.

Table with 10 columns: Industry, No. of Companies, Turnover, Profits Before Tax, Pre-tax Profits, Tax, Dividends, Cash Flow, Net Capital Employed, Return on Capital Employed, Net Current Assets. Rows include Building Materials, Contracting, Electricals, Electronics, Mechanical Engineering, Metals and Metal Forming, Motors, Other Industrial Materials, Total Capital Goods, Breweries and Distillers, Food Manufacturing, Food Retailing, Health and Household Products, Leisure, Publishing and Printing, Packaging and Paper, Stores, Textiles, Tobacco, Total Consumer Group, Chemicals, Office Equipment, Shipping and Transport, Telephone Networks, Miscellaneous, Total Industrial Group, Oils, Banks, Insurance (Life), Insurance (Non-life), Insurance (Composite), Insurance Brokers, Merchant Banks, Property, Other Financial, Total Financial Group, Investment Trusts, Mining Finance, Overseas Traders.

NOTES ON COMPILATION OF THE TABLE
The classification is that of the Institute and Faculty of Actuaries used in the daily Financial Times Actuaries Index.
Col. 1 gives turnover, exclusive of VAT unless otherwise indicated.
Col. 2 gives profits before interest and taxation, that is to say profits after all charges except tax and other interest but before deducting taxation provisions and minority interests.
Col. 3 gives the net profits according to equity accounting after provisions.
Col. 4 gives pre-tax profits, that is to say profits after all charges including taxation provisions and minority interests.
Col. 5 gives the net profits according to equity accounting after provisions.
Col. 6 gives the net profits according to equity accounting after provisions.
Col. 7 gives the net profits according to equity accounting after provisions.
Col. 8 gives the net profits according to equity accounting after provisions.
Col. 9 gives the net profits according to equity accounting after provisions.
Col. 10 gives the net profits according to equity accounting after provisions.

Expert advice on the stockmarket, FREE

Maximising profits from the stockmarket requires expert advice. That's what you get from IC Stockmarket Letter. IC Stockmarket Letter is a weekly tip sheet published by Financial Times Business Information. We could tell you how good we are and illustrate the point by highlighting the success of a few top performers - and pretend they were typical. Or we could discuss the performance of an outstanding stockmarket winner - and imply that we tipped it (though we didn't). We could go to quite amazing lengths to deceive you and con you into subscribing.

How our selections have performed List of ALL ICSTL recommendations from April 1986 to September 1986. Includes a table of company names, dates, and share values. Also includes a form for requesting a free trial subscription and a list of office locations.

Vertical text on the left margin: 'out of steam', 'Sealink to appeal on ferry rule', 'talks', 'LEADING RATES'.

The crackdown on insiders

IMAGINE THE City's outcry if a Labour government had been in power. The extraordinary wave of insider dealing investigations which has built up in the past few weeks would have been condemned as a serious over-reaction to events in the US. Cries of "witch hunt" or "Gestapo tactics" would have rent the air.

But as things are, the reaction is one of numb bewilderment rather than of outrage. There are three possible explanations for recent events. One is that standards of morality have deteriorated sharply, leading to an upsurge of criminal activity in the securities markets. Another is that the authorities have decided to pursue wrongdoers with more energy than they were willing to show in the past. Finally, it could be that the rules have changed in some way—either to encourage more crimes to be committed, or to make it easier for offenders to be caught.

To a greater or lesser extent, all these explanations have a bearing on recent events. The atmosphere in the financial markets lately has not been conducive to the exercise of puritan virtues. Lots of people have been making lots of money: expense accounts have gone unchecked, and it has been possible to hide mistakes and worse—behind a wall of rising profits. A series of giant take-overs has made it possible for people to make a great deal of money if they were prepared to break what had been a poorly enforced law against insider trading.

Rules changed

At the same time, there are increased incentives for the Government to crack down on suspected wrongdoers. There has been a growing level of public disquiet about the apparent difficulties of prosecuting fraud, whether it be in Lloyd's, the securities business, or the banks. With memories going back to the political backlash which followed the property bubble in the early 1970s, the Government must be very concerned not to appear soft on its natural supporters in the Square Mile.

Indeed, there would be serious risks in not cracking the whip at this stage. A general election is in view. And a whole new framework of investor protection laws is still being put in place. A few public executions will help to persuade people not to monkey around in the period of uncertainty before the new laws are properly established.

But it would be wrong to place too much emphasis on the falling morality or on the authorities' motivation. The most important explanation for recent events is that the rules have changed. The key moment

came in mid-November, just before the big cases hit the headlines, when the Government brought into play powers available under section 177 of the Financial Services Act 1986. This enabled it to appoint inspectors with the authority to demand the delivery of documents, and to take evidence on oath. Uniquely, anyone who refuses to comply with such requirements is liable to be found in contempt of court. There is no question of doing a Colonel North, and pleading the Fifth Amendment.

This represents a sharp break with past practice. The form used to be that signs of insider dealing would first be spotted by the Stock Exchange, which would tip off the companies investigation branch of the Department of Trade. But there were no powers to take evidence on oath, or to insist on co-operation. The investigators might have had their suspicions, but were seldom able to substantiate them.

Increased risk

The existence of these new powers has enabled the Department to think about reopening a number of cases which had appeared hopeless under the old regime. They have also raised the public profile of the attack on insider dealing. The appointment of inspectors is much more likely to occur under the present circumstances. In turn, such an appointment is much more likely to be a public event than a discreet probe by the companies investigation branch.

The other big change in the rules has followed from the new trading practices on the Stock Exchange itself. There is little doubt that the emergence of financial conglomerates has made it more likely that price sensitive information will get into the wrong hands. But if the opportunities for insider dealing have increased, so have the risks. Transactions are more transparent in today's market, which means there is a clearer audit trail down which to pursue suspects.

The new act has yet to be tested in the courts. But in the meantime it seems plain wrong to suggest that the recent headlines show the Secretary of State's powers on insider dealing are inadequate. On the contrary, they appear draconian. It is also wrong to argue that these events show the weakness of self-regulation. Insider dealing has been a statutory offence for years. Of course there must be serious concern about the fact that these investigations have been thought necessary. But the overriding aim must be to ensure that honest investors get a fair deal. Financial markets are built on such confidence, and die without it.

But it would be wrong to place too much emphasis on the falling morality or on the authorities' motivation. The most important explanation for recent events is that the rules have changed. The key moment

STOCK MARKET LEADERS AND LAGGARDS

How Mr Murdoch came out on top

By Richard Tomkins

"SO much for privatisation," the disgruntled investor might remark on casting a glance over this year's lists of winners and losers on the stock market merry-go-round.

Indeed, it does come as a bit of a shock to find two of the Government's vaunted denationalisation stocks in the table of the year's most dismal performers.

The presence of Britoil might just be forgiven. After all, it could hardly have foreseen the crash in oil prices which was to wreak havoc with the fortunes of so many companies with oil-related activities in 1986.

But what of British Telecom, once a jewel in the privatisation crown? At 197p, its price has plummeted from a peak of 278p in April and ends the year 15 per cent below the level at which it began it.

In fairness, the decline in British Telecom's price owes more to worries over the possibility of renationalisation by a Labour government than any fundamental problems with the company's performance.

But this is little consolation to its shareholders: after all, it is not as though there has been any shortage of much better performing stocks. On the contrary, it has been a bumper year for UK equities generally, as the chart of the FT-Actuaries All-Share index shows.

The main feature of the stock market's advance in 1986 was its steep climb in the first quarter of the year—a climb driven by that same collapse in oil prices which hit Britoil's price so hard.

The rise was all the more remarkable for the fact that until the end of 1985, a falling oil price had been seen as more of a threat to corporate profits than a boon, because of its possible effects on sterling and interest rates. In January, however, when the Government succeeded in fending off a run on the pound with a mere 1 per cent rise in interest rates, those fears evaporated and attention switched to the savings that industry would make through lower energy costs.

"It was an extraordinary opening quarter," says Kenneth Inglis of stockbrokers Phillips & Drew.

"Suddenly, the fall in oil prices was seen not as a disaster but as a panacea for all the nation's economic ills. If it taught me anything about market forecasting, it is that you sometimes have to stand on your head if you want to get things right."

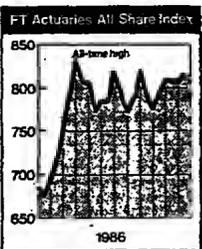
Still, such a rapid ascent could not last. On all Fools' Day the perception dawned that euphoria had swept ahead of reality. A slap in the face

from some heavy cash calls—including National Westminster Bank's £714m call, the biggest rights issue the London market has seen—helped restore a sense of proportion, and the index took a minor tumble.

Since then, the market has been moving sideways, as those in the trade somewhat perversely call it—in other words, up and down—and although it has tested its April record of 832.4 three times, it has failed to break it. Even so, it ends the year some 20 per cent ahead at 818.1 compared with 682.9 last New Year's Eve.

But if the fall in the oil price was good for the stockmarket and British companies generally, it was near disastrous for businesses with interests in oil exploration, production or services. In fact, the most notable feature of the laggards' lists this year is the way they are overwhelmingly dominated by companies with oil-related activities. Even Trafalgar House, the property-to-shipping group, owes its presence high up among the laggards to its ill-timed diversification into the oil industry.

Yet the oil sector has not been



a picture of total gloom. Giants of the industry such as BP and Shell were able to shield themselves from the worst effects of the oil price crash with their refining and retailing operations, which benefited from the lower price of crude, so the oil sector as a whole has stood up comparatively well to the onslaught.

Instead, it is the electronics sector which carries away the title of worst-performing sector of 1986. Here, a continuation of the world-wide recession in electronic components and data processing equipment, combined with a tough environment for UK defence contractors, produced another trying year. The presence of Memec, Ferranti, Diploma, Unitech, Norhain Electronics and TSL Thermal Syndicate among the laggards bears witness to the difficulties the sector has faced—although Ferranti in particular compounded its problems by unwisely neglecting to warn the

City of just how poor its last set of annual results was going to be.

Next to electronics, the worst performing sector was insurance broking. Most brokers performed quite respectably but the sector was dragged down by the reaction to unexpected results from Sedgwick, which far the biggest single constituent, and from C. E. Heath, which has tried to find a way out of its problems by taking over Fielding Insurance. Dewey Warren, a laggard in the junior league, did not help matters with its profits downturn: new management says things will be different now.

The stores sector was another poor performer, unable as it had to live up to the over-optimism of the previous year—although only Boots, a victim of the evaporation of last year's bid speculation and a large, unpopular acquisition in the US, is consigned to the ignominy of an appearance among the laggards. Food retailing was held back by a low level of food price inflation, but also suffered from a tidal wave of paper issued by Dea in pursuit of its acquisitive ambitions. The resultant dilution of Dea's share price gave it the number 10 spot in the senior league of laggards.

But enough of the bad news. Which were the stars of 1986, and why did they do so well?

The best performing stock in the big league goes hand in hand with the best performing sector. The company is News International, the UK subsidiary of Rupert Murdoch's News Corporation, and the sector is publishing and printing.

In the sector as a whole, the story has been one of rationalisation, recovery, and re-rating. National newspapers and printing groups such as Robert Maxwell's BPC have shown the will and ability to achieve big cost savings through manpower cuts and the introduction of new technology, while further down the scale, a flurry of takeover activity and the injection of new and more aggressive managements has changed the image of the print industry from a boring low-margin activity to a potentially highly profitable one.

As for News International, the transfer of its newspaper titles to Wapping may have brought a good deal of rancour from the print unions, which were side-stepped in the move, and also cost the company dear in the short term; but it has also brought about a sea-change in perceptions of the company's potential profitability.

The textile sector also performed well, not least because of some fairly hectic corporate activity and optimistic forecasts from two of the sector giants, Coats Vytella and Courtauld.

Only the fast-growing clothing-to-carpets group John Crowther, however, squeezes into the leaders' table.

Other strong sectors during the year were tobacco, whose membership has now dwindled to two (BAT Industries and Rothmans International) and which faces abolition as an independent sector in 11 days' time, and metals and metal forming, with strong advances from Johnson Matthey, Glywed International and McKechnie. (Poor McKechnie, which seems to have spent the whole year fighting off hostile bids, has been causing some wry amusement in the City with its corporate Christmas card, which is emblazoned with the wistful legend "Peace on earth.")

It would be convenient if all the leaders fitted neatly into the fastest moving sectors and all the laggards into the slowest moving ones, but many of them fail to oblige. Virtually the whole of the junior league of leaders, for example, consists of an odd assortment or recovery stocks, many of which started it year as penny shares. In a market as strong as London's has been over the past year, there has been no shortage of people eager to take a punt on a hotly-tipped loss-maker which has just had an injection of new management.

Typical of the category is Owen & Robinson, the loss-making jeweller whose shares took off when Richard Ratner, a partner at the stockbroking firm of Kitkat & Aitken and a distant relative of the Ratner who was found in the senior league—and Harry Davies, an ex-Raybeck executive, stepped in. Another example is Kellock Trust, which shot to prominence after the rapidly-growing London & Edinburgh Trust took a majority stake with the aim of turning it into a separately-quoted vehicle for its financial services operation, while further down the table, shares in the packaging company NMC Investments took off when the brothers Saatchi took a stake and initiated a rapid expansion programme.

People who buy shares in these companies do so out of confidence in their management rather than the belief that they are necessarily in the growth markets, so the particular sector in which they find themselves is relatively unimportant. What investors are looking for is another Amstrad, the electronics company which has so spectacularly backed its sector trend over the year to find itself among the top three leaders in the seniors' table for the second year running (in spite of no longer being at its peak share price).

But Amstrad is not the only company to be making a repeat performance. Regalian Proper-

The Leaders

Market capitalisation over £100m		Market capitalisation under £100m	
Company	Gain (%)	Company	Gain (%)
1 News International	+247	1 Owen & Robinson	+63
2 Pentland Industries	+244	2 Kellock Trust	+60
3 Amstrad Consumer Electronics	+192	3 James Ferguson	+57
4 APV	+144	4 Heical Bar	+57
5 Tote Kemsley & Millbourne	+138	5 NMC Investments	+57
6 Jefferson Smurfit	+129	6 Gilbert House	+53
7 Myson	+128	7 Authority Investments	+53
8 Abaco Investments	+124	8 Dwick	+53
9 Mountleigh	+123	9 Thomson T-Line	+53
10 Ratner Jewellers	+123	10 Auditorium	+53
11 Blue Arrow	+117	11 TTY Homes	+53
12 British Visa	+110	12 Frederick Cooper	+53
13 Bernard Matthews	+103	13 Paul Michael Leisurewear	+53
14 Henderson Administration	+99	14 AD	+53
15 Turner & Newell	+97	15 TTAGH Jute Factory	+53
16 Pilkington Brothers	+94	16 Common Brothers	+53
17 Regalian Properties	+90	17 Hobson	+53
18 Imperial Continental Gas	+89	18 Nash Industries	+53
19 Standard Chartered	+89	19 Quest Automotiv	+53
20 John Crowther	+87	20 Nu-Swift Industries	+53

The Laggards

Market capitalisation over £100m		Market capitalisation under £100m	
Company	Loss (%)	Company	Loss (%)
1 Triton Europe	-68	1 Tritel Petroleum	-74
2 IBL	-57	2 Willoughby's Consolidated	-70
3 Triton Europe	-51	3 North Sea Assets	-68
4 Memec	-38	4 Norhain Electronics	-67
5 London & Scottish Marine Oil	-34	5 Petranor	-65
6 Ferranti	-32	6 TSSapphire Petroleum	-65
7 C. E. Heath	-30	7 TSL Thermal Syndicate	-65
8 Diploma	-24	8 KCA Drilling & Gas	-64
9 Trafalgar House	-24	9 Sovereign Oil & Gas	-64
10 Dea	-23	10 Overseas	-62
11 Ultramar	-23	11 Dewey Warren	-62
12 Avana	-22	12 Pavilion International	-62
13 Unitech	-21	13 Fairfield Inspection Services	-60
14 Britoil	-20	14 YTelevis Services International	-60
15 Brammer	-18	15 High-Point Services	-60
16 British Telecommunications	-18	16 Southwest Resources	-57
17 Caledonia Investments	-14	17 TBL Resources	-56
18 North Foods	-14	18 Jiebens Drilling	-56
19 Boots	-12	19 Morceau	-56
20 Sedgwick	-11	20 Tranco Oil Services	-56

Notes: The tables show share price movements from 22/12/85 to 22/12/86, adjusted for rights and bonus issues. Market capitalisations were calculated at the year end and the beginning of the year for laggards. * Figures for 1986-87 company accounts.

ties has continued to thrive from refurbishing blocks of former council flats in places like Clapham Junction and fitting them out with gymnasiums and Jacuzzis; they may sound like urban Britain's camps, but yuppies love them. Amstrad, the electronics company, has continued to soar ahead thanks to its stake in the hugely successful Reebok sports shoe company in the US.

In fact, if there were to be a small prize-giving ceremony, Pentland's shares would surely have to take away the trophy for growth. It is almost frightening to think that anyone who had bought into the company just 18 months ago would have seen the value of their investment multiply 33 times over the period.

At the other end of the spectrum, IBL was the worst oil-related performer in the seniors' table. This computer leasing company was already a victim of the City's lack of

confidence in its sector, and when its 1985 results turned out to have been underplayed by heavy losses at a French subsidiary, its shares went into a nosedive. Since then, the latest interim results have shown a substantial recovery, but the share price has not yet returned to its former level, which is notoriously twice as

The prize for obscurity would be held by Triton Europe, which was founded by heavy losses at a French subsidiary, its shares went into a nosedive. Since then, the latest interim results have shown a substantial recovery, but the share price has not yet returned to its former level, which is notoriously twice as

Finally, the cautionary tale of the year must certainly be that of Triton Europe, the oil company which topped the list of leaders last year. Its presence as the third worst laggard in this year's table must surely silence any premature gloating from those whose good fortune has been to do better.

AT THE END of this week's marathon EEC meeting on agricultural reform, one of Mr Michael Jopling's fellow ministers turned to him and said: "If the Presidency were an elective post, we would put you back in the chair tomorrow."

This weekend, as Mr Jopling's colleagues from other member states digest the implications for their farm constituencies of the cuts in milk production and beef support which Britain's farm minister persuaded them to accept, they might possibly reconsider this generous judgment.

But the compliment does contain a clue to the mixture of charm and slightly school-precfect-like cajolement which Mr Jopling used in 90 hours of negotiation over seven days and almost as many sleepless nights to pull off the deal.

Brussels has seldom seen anything like it. The Danish Minister, Mrs Brita Holberg, became an overnight celebrity by knitting a jumper while everyone else talked. And journalists filled in the long gaps between briefings by taking bets as to whether the vast frame of Mr Ignaz Kiechle, the West German Farm Minister, or his trim opposite number from Paris, Mr Francois Guillaume, would be the first to storm out or collapse in exhaustion. In the event, neither of them did.

Without wishing to overstate the achievement, there are several important loopholes in the agreement and the short-term budgetary savings which it is claimed to have brought look optimistic to say the least—this week's reforms are highly significant.

They enable Britain to end its six-month presidency of the EEC on an unexpectedly high note; they provide a much-awaited momentum for change in the Common Agricultural Policy, which seems likely to be followed through in farm price negotiations over the next three months; and, perhaps most important, they set the right tone for the crucial debate on the future financing of the Community which is scheduled for next year.

For Mr Jopling, who also presided over a grueling but successful negotiating session on the Common Fisheries Policy directly after the farm council, this week has been a considerable triumph and one which he clearly enjoyed immensely. But it also exposes, more than ever, the large number of paradoxes and peculiarities in his political and personal position.

Man in the News

Michael Jopling

Knight of the long nights

By Tim Dickson and Andrew Gowers



pected for his intellectual powers, he has none the less made important changes where others failed or did not even try. Regularly rumoured to be on the way out every time a Cabinet reshuffle is in the air, he has achieved a deal which will probably earn the Government considerable kudos with everybody but the farm lobby, and will certainly boost his personal standing with Mrs Margaret Thatcher.

Mr Jopling has survived against what would appear to be substantial odds in the agriculture ministry. His direct predecessor, Mr Peter Walker, was widely regarded as a brilliant salesman for both himself and British agriculture, who also presided over the last

great lurch of prosperity that the farming industry is likely to see for many years. When Mr Jopling became minister, by contrast, it was clearer than ever that food surpluses and farm support costs were careering out of control. His mandate from Mrs Thatcher, to whom he is unquestionably loyal as a former Chief Whip, was to instil a measure of financial discipline into the EEC farm council.

Mr Jopling, 56, who has a curious boyish enthusiasm for fast motorcycles, conjures up the image in those who do not know him well of a slightly dense country gentleman. But he is shrewder than he looks. What the minister is not is an ideas man. He instinctively dis-

trusts high-frown theory, and has steadfastly resisted pressure over the years to issue any grand policy statements on agriculture along the lines of the now-notorious "Food from our own resources" White Paper of the 1970s. He has been widely criticised for his poor command of detail in a subject of baffling complexity—often fumbling for facts in front of National Farmers' Union meetings, for example, or reading from a prepared brief in answer to journalists' questions.

But in a way, none of this seems to matter. In dealing with farmers, his bluff, and rather gauche, good humour may have actually helped him convey what is bound to be an unpalatable message. He has had good support from a couple of able junior ministers. Mr John MacGregor—now Chief Secretary to the Treasury—and more recently, Mr John Gummer. In matters of detail and ideas, he delegates freely to Sir Michael Franklin, his permanent secretary. Sir Michael, who has top-level experience of several Whitehall departments and of the European Commission in Brussels, is in fact a vital ingredient in the Jopling equation: urbane and steeped in the Eurocracy, he is an ideal Jopling foil.

Mr Jopling himself, though, does appear to have a politician's knack of timing—of picking up an idea, or pushing through a negotiation, when the time is right.

And, of course, this week he showed sceptics he was deadly serious in vowing to keep the farm council in session until it had agreed on the milk and beef package. Mr Jopling himself attributes the success to his experience as Chief Whip between 1979 and 1983. One close Brussels observer says that "at times he behaves as though he is addressing a group of new MPs."

The bric-a-brac which have showered on his head from the farm lobby in the last couple of years—and are likely to increase in the next few months—seem to leave him unmoved, perhaps secure in the knowledge that he is doing just what his Prime Minister expects of him.

Oppenheimer

Latest performance

Two years to 1st December

Trust	Percentage increase in value	Position in sector
European	+166.0	3rd
Pacific	+80.8	6th
Worldwide Recovery	+76.8	6th
International	+76.8	7th
UK	+72.0	21st
Income & Growth	+62.3	7th
Practical	+60.0	1st
Japan	+52.1	29th
High Income	+49.9	8th
American	+31.0	17th

Source: Farnham Services, offer to bid, income reinvested, 1/1/86.

Recently International Growth has been most popular with financial advisers. It is an actively managed fund that can seek out growth opportunities worldwide.

If you would like further details on International or any of our range of funds please telephone us on 01-489 1078 or write to Oppenheimer, 66 Cannon St., London EC4N 6AE.

A member company of the Mercantile House Group.

سازمان تبلیغات

The Gorbachev era takes hold



Dr Sakharov

IT MAY be too soon to be certain, but Moscow's weekend feels like a place where, in just 12 hours, the world has been shaken.

The release of Dr Andrei Sakharov, the official announcement of a new political system and the strong attack on President Brezhnev's rule in yesterday's edition of Pravda together mark a crucial change in the way the Soviet Union has been ruled for the last 50 years.

The three events are evidence of a fundamental political alteration now taking place in the way power is exercised within the world's most powerful communist country.

The Soviet Communist Party has exercised a monopoly on authority and information since the 1920s. Now it has decided to release the country's best-known dissident, has admitted to the violent opposition provoked by the appointment of a new party leader in Kazakhstan and has criticised Brezhnev for despotism and incompetence, that monopoly can scarcely be maintained.

From the viewpoint of the oldest republic, his com-

tinued detention had no benefits for the Soviet leadership. But taken together with the news of the Alma Ata riots and the attack on Brezhnev, the release of Dr Sakharov does appear to mark the end of an era. Even if the Soviet bureaucracy did want to reverse Mr Gorbachev's policies, it would be hard to put the genie back in the bottle. The trend towards a more open society is becoming irreversible.

The fact that Mr Mikhail Gorbachev, the Soviet leader, has been prepared to carry out these measures seems to show that he has enough political confidence to withstand any backlash from party and state officials who came to power during Mr Brezhnev's rule between 1964 and 1982. A meeting of the all-powerful Communist Party Central Committee is expected next week to purge yet more survivors of the old regime.

The riots by students in Alma Ata, capital of the Republic of Kazakhstan on Wednesday and Thursday were in protest against the appointment of a Russian to replace Mr Dinmukhamed Knaev, the Kazakh Communist Party leader of the republic for more than 20 years.

Although party and state officials have been purged throughout the Soviet Union since Mr Brezhnev's death in

1982, the changes have not been deeper in five central Asian republics. Their primary targets owe less to fear of growing Islamic influence than to a crackdown on the semi-independent baronies which local party leaders had established since the 1950s.

Their downfall has been rapid over the past three years. Mr Sharaf Rashidov, leader of the Republic of Uzbekistan (population 18m) and a non-voting member of the Politburo, died

suddenly in 1983 (possibly through suicide). His death was followed by exposure of a swindle in the Uzbek cotton industry: the minister in charge had simply invented an extra 500,000 to 800,000 tonnes of cotton a year and pocketed payment by central government for the non-existent crop.

These and other scandals — a Kazakh party leader built himself a hunting lodge using funds meant for a children's hospital — have made central Asia a symbol of the corruption under Brezhnev.

But the real significance of the riots is that they were re-

ported at all. Until last year, the Soviet media reported no natural disasters immediately, and even when information was published it was scanty and misleading. One newspaper reader last year wrote to ask why there was more information on Soviet television about the Mexico City earthquake than about an almost simultaneous quake in Tadzhikistan in the Soviet Union.

Since the Chernobyl disaster this policy has changed. When the cruise vessel Admiral Nak-

himov sank with the loss of 398 lives this autumn, full details were released immediately. Similar openness (glasnost) is now frequent over economic and social failings, but the media are much more tentative about political issues involving the party or opposition to it. This is what gives such significance to the admission about riots in Alma Ata — the first time such active dissidence has been reported since the 1920s.

The attack on Mr Brezhnev yesterday came in a Pravda editorial on what would have been his 80th birthday. It marked a noticeable shift of emphasis from criticism from his failure to moderate and expand the economy to "the

lack of democracy, openness, criticism and self-criticism." The tone of the attack is in line with a shift in speeches by Mr Gorbachev and other senior leaders this year. After he succeeded President Chernenko in 1985, Mr Gorbachev's radicalism was mainly confined to the economy. It is only since this summer that he has emphasised the need for political change in the party and state, accusing officials of sabotaging economic reform through inertia. During an autumn tour of his home area in the north Caucasus, Mr Gorbachev said that restructuring the economy could not succeed unless there was "a democratisation of our society at all levels."

It took until late summer for ordinary Soviet citizens to start believing that Mr Gorbachev really meant to change the relationship between the ruling Communist Party and Soviet society. Even now, Soviet citizens endlessly debate how far the changes supported by Mr Gorbachev will have a real impact on their lives.

The discussion on the extent and potency of Mr Gorbachev's reforming zeal is somewhat unreal. Soviet society changed radically under Mr Brezhnev even if state machinery and official ideology did not recognise this fact. Most of the reforms now being introduced simply recognise and legalise changes which have already taken place. It was the previous leadership's failure to recognise the degree to which their own country had changed which made it so vulnerable to attacks by Dr Sakharov or Dr Roy Medvedev the historian. Soviet officials often accuse journalists in Moscow and elsewhere of exaggerating the influence of Soviet dissidents and measured in terms of their active political support, there is some truth in this.

But the fact that a state as big and powerful as the Soviet Union proved so vulnerable in the 1970s to attacks by a few critics shows how far the old leadership, ossified and secretive, had created a vacuum of ideas. It had no response to domestic critics except to imprison or exile them.

Mr Gorbachev and the new Kremlin leadership are far more confident men than their predecessors, and therefore less fearful of Dr Sakharov. They are, also, probably, privately conscious that much of what he and other Soviet critics said about Mr Brezhnev and his supporters in the 1970s, was very similar to the editorial in yesterday's Pravda.

By Patrick Cockburn in Moscow

suddenly in 1983 (possibly through suicide). His death was followed by exposure of a swindle in the Uzbek cotton industry: the minister in charge had simply invented an extra 500,000 to 800,000 tonnes of cotton a year and pocketed payment by central government for the non-existent crop.

These and other scandals — a Kazakh party leader built himself a hunting lodge using funds meant for a children's hospital — have made central Asia a symbol of the corruption under Brezhnev.

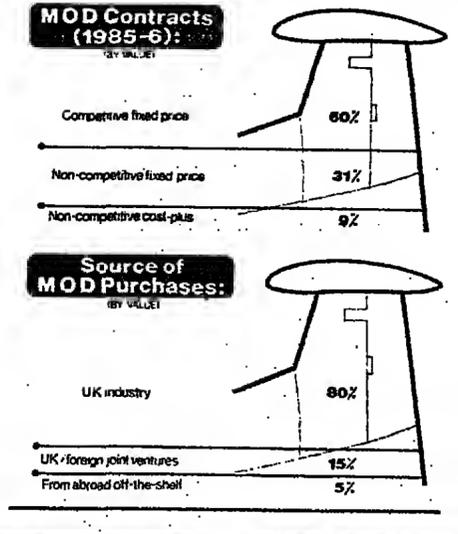
But the real significance of the riots is that they were re-

suddenly in 1983 (possibly through suicide). His death was followed by exposure of a swindle in the Uzbek cotton industry: the minister in charge had simply invented an extra 500,000 to 800,000 tonnes of cotton a year and pocketed payment by central government for the non-existent crop.

These and other scandals — a Kazakh party leader built himself a hunting lodge using funds meant for a children's hospital — have made central Asia a symbol of the corruption under Brezhnev.

But the real significance of the riots is that they were re-

Nimrod: long saga with a moral for the Ministry



CANCELLATION of the ill-fated Nimrod airborne radar project marks the end of an era in British defence procurement, but not the end of the British radar or avionics industries.

It brings to an abrupt close the last of the big "cost plus" defence contracts, prevalent for much of the period since the Second World War in which the Ministry of Defence has shelled out money to pay whatever costs a company incurs on a development programme, plus an agreed profit margin.

This easy-going arrangement suited both sides. The MoD saved the technical headache of having to define precisely at an early stage in a programme the final what end-product it wanted. The contractor was saved financial worry. He would not be out of pocket at the end, and payment by set dates rather than by results ensured an inexorably smooth cash-flow.

programme was run. It was also why the UK taxpayer lost nearly £1bn (in today's prices) over that period and the RAF ended up today without the Nimrod radar aircraft it was promised four years ago.

Mr George Younger, the Defence Secretary, has admitted his Ministry is partly to blame for the Nimrod fiasco. Last night it was announced that the MoD, aided by the Downing Street Efficiency Unit, would conduct an internal scrutiny of MoD procurement policy and report to Mr Younger and Sir Robin Ibbot, the Premier's efficiency adviser.

More stringent procurement policies introduced in 1983 by Mr Michael Heseltine, the then Defence Secretary, and implemented since then chiefly by Mr Peter Levene, the businessman brought in to head the MoD procurement executive, have resulted in the following:

● Fewer than 10 per cent of total MoD contracts (by value) are now placed on a cost-plus basis. Almost all such new contracts allow a contractor more profit if he finishes below a "target" price, less if he goes above it. But all costs above a "maximum" price come out of his pocket.

● The MoD now pays by results; on new contracts it is currently negotiating it is offering companies interim payments ranging from 30 per cent to much less of total contract value and only payable on achievement of agreed technical milestones.

The MoD is still "in the driving seat" on some defence contracts, but is seeking to shift the prime contractorship to companies wherever possible. ● Some 60 per cent of the total value of MoD contracts has been awarded on a competitive

basis in the past year, compared with 38 per cent three years earlier.

These more competitive procurement policies are not disputed.

Certainly, the Thatcher Government has entertained, even invited, more foreign bids than its predecessors.

By David Buchan, Defence Correspondent

Even before the Boeing-GEC rivalry, the MoD ran several UK-foreign defence contract competitions, most notably the McDonnell-Douglas/BAC competition for a new anti-aircraft missile and the Texas Instruments/BAC competition for an anti-radar missile. But the actual spoils have been fairly evenly divided between UK and foreign competitors.

It may be that the Boeing-Awacs contract will send useful (for the MoD) shockwaves through the entire UK defence industry, even though GEC has long been known to have been in trouble over Nimrod.

Certainly, invitations to tender for UK defence contracts would lose their savour for foreign companies if they always appeared to lose out. So to that extent the MoD expects an upsurge of foreign interest in emulating Boeing's success. But the fact that the MoD, with its £81bn a year procurement budget, takes 50 per cent of UK aerospace output, 60 per cent of UK ordnance output, 20 per cent of UK electronics output and 40 per cent of UK shipbuilding and repair output, dictates limits to foreign purchases.

Thus, it remains likely that the MoD will continue to place some 95 per cent of its contracts with UK industry.

Rather than herald further imports, the Awacs purchase should lead to greater UK defence exports, the MoD argues. Boeing is now contractually committed to placing £1.1bn-worth of business with UK companies, and somewhat more if Britain eventually buys eight Awacs aircraft instead of six.

These export considerations dominated the MoD view of the industrial implications of scapping Nimrod.

GEC Avionics will lose perhaps as many as 1,500 of its employees working hitherto on Nimrod, probably to Plessey, its newly aggressive rival which was yesterday launching a recruiting drive. But GEC Avionics, shorn of Nimrod, is a highly successful exporter and incidentally the maker of the Foxhunter radar for no fewer than 165 Toronto fighters.

What it, and the GEC group as a whole, needs is to mend broken fences with the MoD and to refurbish their image with the outside world.

Why chase phantoms?

From the Managing Director, Charles Barker Communications. Sir, — The article on tax cuts not expiring employees to work harder (December 16) and its underlying research demonstrates again the fallacy of the "invisible hand" as the best solution to "Greater productivity, stronger wealth creation in the economy and improved GDP per head must stem not from unprovable arm-chair economic theory but from pragmatic demonstrable fact.

And the fact is that good leadership by management which allows employees to use their skills and abilities more fully gives rise to more effective, not even necessarily harder, work. The evidence is all around us in Jaguar, Nissan, Marks and Spencer and hundreds more. Why chase phantoms when the fact is so hand?

Michael Arnot, 4th Floor, 72-73 Fleet Street, EC4.

Buying shares

From Mr M Hobbs. Sir, — Having been encouraged by the government to become a participant in the stocks and shares market, I decided to invest. Shares in the Wellcome Foundation seemed to look good, so I applied for about £400 worth when the new issue was advertised in the press. A few days later I got my cheque back, with a letter to say it was oversubscribed. Recently I applied for £250 worth of Fletcher King shares, but got my cheque back again, over-subscribed. It would appear that the big institutions take the lion's share and the private investor is left with little chance of obtaining worthwhile shares.

Another aspect which in some ways is even more disturbing is the obtaining of new issues on the Unlisted Securities Market. Before Big Bang the sponsoring broker was allocated 75 per cent of the shares and the rest went to the jobbers. The private investor had a chance of obtaining shares from this 25 per cent. The system now is that if the size of placing is less than £2m the sponsoring broker can place 100 per cent of the placing in house, and if the placing is between £2m and £5m the 25 per cent rule applies, but instead of giving that 25 per cent to the market makers the sponsoring broker can place those shares with his clients. So unless you are fortunate enough to have one of these brokers, you are in effect banned from new issues. Once again the big institutions are the winners. I think the public is going to be discouraged by a system which puts it at the disadvan-

Letters to the Editor

Large of having to buy new issues when they come on in the market normally at a premium and with brokers' buying charges on top. I can understand that the sponsors of these new issues find it expensive to deal with small investors, and I was wondering if anything could be done to overcome this situation. Michael E. Hobbs, Nafarna, School Lane, Rippic, Nr Tewkesbury, Glos.

Transport by rail

From Mrs R. Schurder. Sir, — David Brindley's report (Dec 11) that British Rail has contracted to send spare parts by road, is incredible. Surely the Minister of Transport must now give priority to taking suitable measures to alleviate the congestion on our motorways, caused by the phenomenal number of heavy goods vehicles. Most other countries manage to transport goods competitively and successfully by rail — is it really beyond us? (Mrs) R. Schurder, LS Raw Materials, Rodary House, Alderton Crescent, NW4.

Maintaining profitability

From the Editor, Plant Engineering & Maintenance. Sir, — Your report on the British Institute of Management survey (December 11) showing that British industry is not improving its efficiency is not surprising and confirms our experiences. In particular we find, even today, that capital investment on production equipment gets first priority and a much smaller investment in energy conservation and better maintenance management gets squeezed out. There are a number of well documented examples of UK companies which have increased productivity and reduced costs by managing their maintenance more efficiently. Some of the cost savings have been spectacular. Most maintenance managers are convinced about the potential for improving efficiency by reducing downtime and planning maintenance more effectively. But they have a big problem in convincing their top management.

Fighting a law bill

From the Secretary, Non-Contentious Business Dept., Law Society. Sir, — The advice given (December 19) on "Fighting a law bill" contains a mis-statement which I hope you will allow me to correct. It is stated that, with respect to a bill for non-contentious business, "there is no right to claim interest on whatever sum is due unless there is an express contract with the solicitor which states that interest may be charged in such circumstances." In fact the right to charge in-

Shareholders' interests

From Mr A. Rebmann. Sir, — I must take issue with Edgar Palamoutain (December 16). There are always some conflicts of interests between shareholders and managers in large companies with a highly diversified share ownership. This occurs as the main interest of shareholders is in the market value of their stake in the company, while management is pre-occupied with salaries, perquisites, power and job security, all of which are only indirectly connected with the maximisation of shareholders' wealth.

Symphonic music in the UK

From the Managing Director, London Philharmonic Orchestra. Sir, — Antony Thornecroft's article (December 15) summarises very accurately the situation developing in the provision of symphonic music in the UK which has led to the LPO taking the initiative over merging with the Philharmonia. There is one matter which I should be glad to have the opportunity to clarify. The position of all orchestral musicians in this city is becoming increasingly precarious as the pressure of work builds to unprecedented levels and financial margins reduce. One of our main objectives in taking this initiative is to provide better rewards and greater security for the players in the Philharmonia, as well as a more structured workload for both orchestras. It is certainly not intended that the livelihood of the members of the Philharmonia should, in any way, be threatened in either the short or longer term. John Wilson, 35 Doughty Street, WC1.

Showing the gold card

From Mr G. Ashworth. Sir, — Could someone please explain why the American Express and similar gold cards are looked on as prestigious? I, personally, would detest to go around publicly advertising the fact that I was in constant need of a bank overdraft. Garth Ashworth, Box 107, 11437 Ripoad, Snudi Arabia.

Privatisation's progress

From the Chief Executive and Managing Director, Vickers Shipbuilding & Engineering. Sir, — I read with great interest the article on privatisation by Guy de Jonquieres (December 10). It was pleasing to see the way in which the privatisation policy is going forward. I would, however, like to correct an error which marred an otherwise extremely interesting article. The table indicating levels of public ownership showed the British shipbuilding industry as being more than 75 per cent state owned. In fact, the reverse is the case. Following the Government's privatisation of the warship-building yards, over 70 per cent of the UK shipbuilding industry is in the private sector. My company, VSEL Consortium, with shipyards at Barrow and Birkenhead, employs over 14,000 people, which is almost twice the number who still work in the state-owned sector. Rodney Leach, Barrow-in-Furness, Cumbria.

Letters to the Editor

largest is governed by article 5 of the Solicitors Remuneration Order 1972, a statutory instrument which also governs non-contentious costs and the Law Society's jurisdiction to review a solicitor's professional charge. Under article 5 interest may be claimed at the same rate as is applicable from time to time in respect of judgment debts on whatever part of the solicitor's bill is outstanding, with effect from one month after delivery of the bill to the client, provided however that the solicitor has served on his client notice of his rights of review by the Law Society and the High Court. Under the same article, if the Law Society has reduced a solicitor's professional charge, interest, if claimable is based on the bill as so reduced. Malcolm C. Leaf, 118 Chancery Lane, WC2.

Shareholders' interests

From Mr A. Rebmann. Sir, — I must take issue with Edgar Palamoutain (December 16). There are always some conflicts of interests between shareholders and managers in large companies with a highly diversified share ownership. This occurs as the main interest of shareholders is in the market value of their stake in the company, while management is pre-occupied with salaries, perquisites, power and job security, all of which are only indirectly connected with the maximisation of shareholders' wealth.

Showing the gold card

From Mr G. Ashworth. Sir, — Could someone please explain why the American Express and similar gold cards are looked on as prestigious? I, personally, would detest to go around publicly advertising the fact that I was in constant need of a bank overdraft. Garth Ashworth, Box 107, 11437 Ripoad, Snudi Arabia.

ADVERTISEMENT BUILDING SOCIETY INVESTMENT TERMS. Table listing various investment products, interest rates, and terms for different building societies.

UK COMPANY NEWS

Tony Jackson considers BP's \$240m US purchase
BP on trail of high-tech materials

BP's \$240m (£167.54m) purchase of the advanced composites business of Owens-Corning of the US, announced on Thursday, puts the British company on what has become almost a traditional trail for European chemical companies during the past two years.

world's big chemical groups, already has a strong presence in the European composites market with its UK subsidiary Bristol Composites. Originally part of the old Bristol Aeroplane company, which Rolls Royce bought in 1968, Bristol was involved with the early development of carbon fibre, the light and super-strong material which is an essential ingredient of many advanced composites.

When ICI bought Beatrice Chemical of the US two years ago for \$750m, it was above all paying for a company called Fibertite, one of the biggest composite makers in the all-important US market.

BP, which besides being an oil company is one of the

composites manufacture together, there are six major players in the field. This is one of them.

Definitions in this area are a little tricky, since composite manufacture falls into two compartments.

There is the operation exactly known as pre-pegging, which involves impregnating the reinforcing material, carbon fibre, for instance, with whatever type of resin or plastic is being used to bind it together.

Then there is the fabrication into the finished part, usually done in an enormous and very expensive kind of high-pressure oven called an autoclave.

By far the biggest pre-pegger in the world is Fibertite. After that comes Nanoco, which EAST bought as part of its deal with Celanese.

it does about 70 per cent of its business in aerospace. One of the great attractions of the US market at present is the prospect of Pentagon contracts, some of which could be enormous.

Mr Bean plays down that aspect. "There are obviously a very large number of government contracts around," he said. "But only around 30 per cent of the market is defence. The largest proportion of our business is swinging away from defence to commercial aerospace."

But the Pentagon remains of vital importance. It is also rumoured to have views on the advisability of letting such a strategically important business fall into foreign hands.

Mr Bean said BP was very conscious of that aspect when making its decision. "We made our bid in the full knowledge that it would be a subject for discussion. We talked with the appropriate people, and we are absolutely satisfied that the issues are resolvable."

Siebe to buy electronic controls group in US

By Clay Harris

SIEBE, a diversified UK industrial group, is to buy a majority stake in Ranco of the US, at a cost of at least \$75m (£52m).

The acquisition underlines Siebe's recent determined move into the field of electronic controls. It purchased Robertshaw Controls, a much larger US company, in September.

Ranco, like Robertshaw, specialises in temperature controls for industrial and domestic products. It will also strengthen its low-temperature controls for refrigeration and air conditioning equipment.

Great Western makes \$150m US acquisition

BY LUCY KELLAWAY

Great Western Resources, US oil company which is quoted in London, yesterday announced details of a deal that will more than double the company's size and increase its pre-tax profits almost tenfold.

It is buying the US subsidiary of Bow Valley Industries, the Canadian natural resources group, as well as assorted US oil and gas interests for a total of \$148.5m (£103.66m) cash.

The deal will be financed in part through the issue of preference shares worth \$85.5m (£63.6m), which are being placed by Brown, Shipley at £1.10 each. This is the second heavy sale of Great Western preference shares this year, and follows a rights issue in January which raised \$38m through a rights issue.

The rest of the price will be met initially through an issue of short-term debt, which is expected to be replaced later by a \$55m bond issue organised by Salomon Brothers.

Bow Valley (US), for which Great Western is paying \$141m, is an energy company with interests in coal mines in Kentucky and onshore US oil and gas interests. The company has 113,000 net developed and 300,000 net undeveloped oil and gas acres, which produce about 3,700 barrels of oil equivalent a day. Coal output is about 2.6m tonnes a year, and is sold under long-term contract to US utilities.

It made a profit before interest and tax in 1985 of \$15.9m, and at the beginning of this year had net assets of

\$147m. This compares to a pre-tax profit from Great Western of \$1.78m for the year to September 1986.

Great Western said yesterday that for some time it had been wanting to diversify its energy interests in order to remain competitive in the deregulated US energy market. It said the coal interests would augment and add stability to group cash flow.

Great Western ordinary shares, which last year reached a high of 315p, closed yesterday down 3p at 45p.

The new preference shares, which have limited conversion rights, will have the right to participate in half of group net profit, and will be redeemable at Great Western's option over the next ten years.

Stainless Metalcraft surges

BENEFITS of the recent investment programme were working through at the Stainless Metalcraft group, which lifted its turnover from £4.79m to £6.94m and profit before tax from £503,000 to £1.04m.

The final dividend is 2.5p which raises the total to 4.5p. For the year ended August 31 1986, compared with 4.2p, earnings were 13.5p (6.5p) basic and 12.9p diluted.

Principal activity of this USM quoted company is the manufacture of precision equipment and components for the medical, aerospace, electricity generation and nuclear power industries. In the year the medical side accounted for 70 (74) per cent of turnover.

Mr Christopher Childs, chairman, reported that the current year showed an increase in business in the power generation and nuclear fields, and he announced a £3m order for the fabrication of a stillage support structure for the nuclear industry.

He believed the group was facing "a most exciting period."

Contribution from Ferraris Instrument acquired in July, was necessarily small, but was expected to be considerable during the current and future periods, the chairman stated.

Stainless announced yesterday that it had settled the balance of deferred consideration for the acquisition of its adjusted pre-tax profits for the nine months ended August 31 1986 were £286,000 and meant the maximum additional consideration was due—190,000 ordinary shares plus £210,000 cash, making £547,250. The shares will not rank for the Stainless final dividend.

In the nine months Ferraris recorded a turnover of £1.24m of which some 70 per cent stemmed from overseas. In the accounts was charged £20,000 as compensation to Mr John Redgrave, who resigned as chairman and director a year ago.

A £50,000 extraordinary provision was made against non-recovery of the equity element in the investment in Bioprocessing. The directors felt this prudent as the company had yet to reach profitability and in view of the long term nature of the commitment.

Aim improves In the half year ended October 31, 1986 the Aim Group improved its profit marginally from £810,000 to £832,000 on a turnover reduced to £10.82m, against £11.42m.

They remained confident that benefits of recent investments would be reflected in the year's result. In 1985-86 the company, which is involved in aviation and general engineering, and property development, made a profit of £24m from turnover of £24m.

Earnings for the half year worked through at 5.1p (4.5p) per 10p share and the interim dividend is held at 1.9p.

WA into consumer products

By PHILIP COGGAN

W. A. Holdings has acquired Bebecar (UK) for an initial £2m. The company, which has the exclusive right to distribute nursery products manufactured by the Portuguese company Bebecar Lda, will form the basis of WA's new consumer products division.

Bebecar (UK) distributes pushchairs and cots from two warehouses in Colindale, north London. In the year ending December 31 1985 it made pre-tax profits of £102,000 on turnover of £1.58m. For the 13 months to January 31 1987 the company is warranting that it will make not less than £400,000 pre-tax.

The consideration will be satisfied by the issue of 7.01m ordinary shares, of which 4.73m will be placed, the remainder being retained by Mr Peter Teichman, Bebecar (UK)'s sole director and shareholder. There is a maximum further profit-related consideration of £3.35m.

In addition, 873,000 shares will be issued to cover the costs of the recent acquisition of KD Thermoplastics.

Mr Brian North, a former chief executive of Trian EMI Screen Entertainment, became chief executive of W. A. Holdings, formerly Weeks Associates, in April 1985 and chairman in January this year. He has sold the old agricultural machinery interests of Weeks and concentrated on rubber and plastics distribution.

SHT \$6m US purchase

Scottish Heritable Trust, the Glasgow-based property, engineering and housebuilding group, yesterday announced its first direct investment in the US and said pre-tax profits for 1986 would be not less than \$5.8m. Earnings were put at 15.1p a share, some 25 per cent higher than in 1985.

SHT is paying an initial \$6m (£4.2m) for Haven Homes Inc, a Pennsylvania-based manufacturer of fabricated structures. It sells through a network of agents to builders throughout the north-east, mid-west and south-east of the US.

Further payments of up to \$3.6m may be made by SHT based on Haven's profits performance. Haven's turnover has risen from \$4.2m to \$10.7m and pre-tax profits from \$227,000 to \$1.6m in the five years from 1981 to 1986, SHT said yesterday. Haven's directors say profits before tax for 1986 will exceed \$2m and that net assets will be not less than \$570,103.

The initial payment is being funded by a vendor placing of 2.88m SHT shares at 142p each, with the balance paid in cash.

The new shares rank for the 2.15p a share final dividend for 1986.

Bodycote's £3.25m expansion

Bodycote International, the Manchester-based metals treatment and protective clothing manufacturer is buying a 75 per cent interest in Skelmersdale Packaging for an initial payment of £3.25m, subject to shareholders' approval.

The purchase is being funded by the issue of 370,321 new shares in Bodycote and £230,809 in cash.

Of the new shares 664,441 were placed yesterday at 340p

yesterday, would fit in well with the recently-acquired L Marks Group subsidiary Stockpack.

On completion of the deal Bodycote will acquire options to buy the remaining 25 per cent of Skelmersdale in two tranches at a price based on the letter's profits in the three financial years ending December 31 1988.

The maximum additional sum payable by Bodycote is £1.5m if pre-tax profits average £1.2m in all three years.

Fletcher Dennys £0.16m in the red but confident

Fletcher Dennys Systems, which joined the USM in July, has reported a \$199,000 pre-tax loss for the six months ending September 1986, almost unchanged on the \$181,000 loss last time.

Fletcher, a systems house and authorised dealer for a comprehensive range of IBM and Compaq microcomputer products, achieves all its profits in the second half. For the year to March 1986 it made \$403,000 (£277,000) pre-tax, and the directors are confident that current year profits will show "considerable growth."

Losses per 5p share for this half were unchanged at 2.5p, but an interim dividend of 1p is being paid.

The company's flotation raised £1.2m. Directors estimated that had the money been available for the full year, interest payments would have been reduced by 70 per cent. Interest for the half year increased from £46,000 to £127,000.

Turnover was up sharply, from £2.84m to £4.18m, and operating losses were cut from £115,000 to £32,000.

Walker Greenbank expansion

By PHILIP COGGAN

Walker Greenbank, the building conglomerate, has bought Cox & Wright from West's Group International, a subsidiary of the Tilbury Group for £460,000 and the repayment of a £100,000 intra-group loan.

Cox designs and manufactures cutting presses used to produce shaped pieces from sheet form materials. In the year to March 30 1986 it made pre-tax profits of £181,000 and had net assets at that date of £505,000. It will be absorbed into Walker's special purpose machinery division.

Sir Anthony Jolliffe, a former Lord Mayor of London, reversed his Multiple Industries Group into C & W Walker, the engineering company, in January 1986 and then merged with Greenbank in September. With his partner, Mr John Pither, he aims to build a mini-conglomerate and the Cox purchase is likely to be first of many.

The offer for sale of Mezzanine Capital and Investment Trust 2001 has closed over-subscribed. The 3.75m capital shares on offer were 1.9 times subscribed. Applications for between 250 and 8,000 shares will be met in full, for between 8,500 and 17,500 will receive 8,000 shares and those for over 15,000 will get 45 per cent of the number applied for up to a maximum of 140,000.

The 3.75m income shares were 1.3 times subscribed and the basis of allotment is: for applications of between 250 and 125,000, all the shares applied for, and for those seeking more than 125,000, 65 per cent up to a maximum of 270,000. Allotment letters are being posted on December 22 and dealings should begin on December 23.

Brunner Trust Earnings from the Brunner Investment Trust rose from 2.2p to 2.45p in the year ended November 30 1986 and the final dividend is 1.85p for a net total of 2.45p, compared with 2.2p. Pre-tax profit increased from £971,000 to £1.21m. Investment income was £9.3m (£8.95m). At the year end net asset value came to 133.9p (104.4p)

Mezzanine Capital allocations

The offer for sale of Mezzanine Capital and Investment Trust 2001 has closed over-subscribed. The 3.75m capital shares on offer were 1.9 times subscribed. Applications for between 250 and 8,000 shares will be met in full, for between 8,500 and 17,500 will receive 8,000 shares and those for over 15,000 will get 45 per cent of the number applied for up to a maximum of 140,000.

The 3.75m income shares were 1.3 times subscribed and the basis of allotment is: for applications of between 250 and 125,000, all the shares applied for, and for those seeking more than 125,000, 65 per cent up to a maximum of 270,000. Allotment letters are being posted on December 22 and dealings should begin on December 23.

Brunner Trust Earnings from the Brunner Investment Trust rose from 2.2p to 2.45p in the year ended November 30 1986 and the final dividend is 1.85p for a net total of 2.45p, compared with 2.2p. Pre-tax profit increased from £971,000 to £1.21m. Investment income was £9.3m (£8.95m). At the year end net asset value came to 133.9p (104.4p)

HTV's diary offshoot is threatened with closure

By DAVID GOODHART

HTV, the independent television operator for Wales and the West of England, said yesterday that it would have to close its diary publishing subsidiary Dataday if it had not received a satisfactory offer for it by January 5 1987.

HTV said last month that Dataday's unaudited accounts for the first half of 1986-87 had been substantially inaccurate and for the year to July 31 it reported a £1.58m operating loss and made an extraordinary provision of £4.25m.

Dataday employs about 180 people. The staff were informed yesterday that negotiations were continuing with prospective purchasers. However, it added that if no deal had been struck by the deadline it would have to run down the operation as soon as practicable "with a related programme of redundancy, realisation of assets and settlement of all valid obligations."

Bryant affirms £21m forecast

By DAVID GOODHART

Bryant Holdings, which faces a £137m bid from English China Glass, yesterday wrote to shareholders affirming its £21m pre-tax profit forecast for the year to May 31 1987, and stressing that it had made no announcement. And that the forecasts made did not depend on any sales of investment or trading properties.

ECC say acceptances of offers for the ordinary and preference capital of Bryant have been received in respect of 2,687,754 ordinary (2.6 per cent) and in respect of 5,512 preference (2.2 per cent).

The offers have been extended until 1.00 pm on Tuesday January 27, 1987.

Year-end changes in FT-Actuaries indices

At the year-end review of the FT-Actuaries indices it was decided to discontinue separate indices for Tobaccos (group 36) and Office Equipment (group 44) with effect from January 2, 1987. At the same time two new subsections will be introduced: Agencies with a group number of 41 and comprising 17 constituents, and Conglomerates, with a group number of 43 and 13 constituents. Renumbering of two existing groups will also occur. Packaging and Paper changing from 33 to 31, and Other Groups from 41 to 40.

The two constituents of the existing Tobacco subsection, BAT Industries and Rothmans, and the four companies in the Office Equipment group, Gestetner, Office & Electronic Machines, Rank Organisation and Telephone Remotes, will all transfer to Miscellaneous (group 48). That section will provide the companies to be included in

LONDON RECENT ISSUES

Table with columns: Issue, Price, Dividend, etc. listing various stocks and their recent performance.

FIXED INTEREST STOCKS

Table with columns: Issue, Price, Dividend, etc. listing fixed interest stocks.

"RIGHTS" OFFERS

Table with columns: Issue, Price, Dividend, etc. listing rights offers.

COMPANY NEWS IN BRIEF

BALDWIN (investment, property and clay maker)—Turnover for six months ended October 31, 1986 was £1.54m (£1.43m) and profit £70,000 (£55,000). Earnings 1.17p (0.96p) per share.

FORWARD TECHNOLOGY Industries (electronics and specialised machinery) has agreed to purchase 90 per cent of the share capital of Fraser Peacock Associates, a company which duplicates video cassettes. The consideration of £950,000 will be satisfied by the issue of 2m new ordinary shares in FTI.

VICTORIA CARPET—For half year ended September 30, 1986 turnover £15.06m (£14.13m) and profit £561,000 (£543,000). Earnings 5.23p (4.84p). Directors would expect to maintain dividend at 2.5p for year. They said bid rumours surrounding the company were without foundation: the controlling Anton family believed the company should remain independent.

GLASGOW STOCKHOLDERS Trust: The asset valuations were made at end-November not end-September as stated in Saturday's paper.

ELECTRIC AND GENERAL INVESTMENT COMPANY: Net assets per share, taking prior charges at prior 533.7p at November 30 1986 against 372.6p a year earlier. Dividend for six months to end-November 2.1p (1.85p).

IFINCO, EARL yesterday gave the names of the two associates of Demerger Two which had recently bought stakes in London and Northern Group as part of Demerger's bid for the company. The associates were European International Securities and Jamil al Dahawi. The Demerger Group now owns 6.45m shares, or 5.8 per cent.

WCRS GROUP has acquired Alan Pascoe Associates for £1.7m, of which £1m cash and £700,000 met by the issue of 134,610 WCRS ordinary shares. A debenture will be issued to secure further consideration up to a maximum of £5.75m determined by reference to future profits, and calculated as 5 times the excess of profits over £268,000 for the 11 months to April 30 1987, and 5 times the excess over £400,000 for 1987-88.

WCRS GROUP has acquired Alan Pascoe Associates for £1.7m, of which £1m cash and £700,000 met by the issue of 134,610 WCRS ordinary shares. A debenture will be issued to secure further consideration up to a maximum of £5.75m determined by reference to future profits, and calculated as 5 times the excess of profits over £268,000 for the 11 months to April 30 1987, and 5 times the excess over £400,000 for 1987-88.

Fermenta auditors find potential irregularities

BY KEVIN DONE, NORDIC CORRESPONDENT IN STOCKHOLM

THE EXTERNAL auditors of Fermenta, the embattled Swedish biotechnology group, have discovered potential irregularities in the company's accounts amounting to at least SKr 500m (\$72m) according to a memorandum written for the Fermenta board at the end of November.

BHP falls 30% in first half

BY CHRIS SHERWELL IN SYDNEY

BHP, Australia's largest company, yesterday reported a 30.4 per cent drop in post-tax profit to \$408.6m (US\$222m) for the six months to November, on a fractionally weaker operating revenue of A\$4.4bn.

Canada plans to widen financial competition

By Bernard Simon in Toronto

CANADIAN financial institutions will be allowed to offer a much broader range of services under the terms of a Federal Government proposal designed to broaden financial services competition while curbing the growth of increasingly powerful commercial and industrial conglomerates.

KLM bids to join the hotel jet set

BY DAVID CHURCHILL, LEISURE INDUSTRIES CORRESPONDENT

KLM ROYAL DUTCH Airline's bid to buy the Hilton International hotel chain for \$975m is the latest move in a long love-hate affair between the world's major airlines and the international hotel business.

Nynex buys BIS for \$107m in shares

By David Thomas

NYNEX, the New York telephone operating company, has made its first overseas purchase by acquiring Business Intelligence Services, the UK software and consultancy company, in return for Nynex shares valued at \$107m.

Swissair heads for sharp drop in earnings

By John Wicks in Zurich

SWISSAIR, the Swiss airline, expects revenue for 1988 to show a massive fall, said Mr Robert Staubli, the president, yesterday.

Pallas takes control of French investment bank

BY PAUL BETTS IN PARIS

PALLAS, the Luxembourg-based financial group established by Mr Pierre Moussa, has acquired control of Banque Privee de Gestion Financiere (BPGF).

Lear Siegler

BY DAVID CHURCHILL, LEISURE INDUSTRIES CORRESPONDENT

THE \$2.1bn buy-out of Lear Siegler, the California aerospace and automotive products group, is being financed by Forstmann Little out of equity and bank debt and not through high-yielding, low-grade securities (known as junk bonds).

WEEKLY PRICE CHANGES

Table with columns: Commodity, Latest price, Change on week, 1988 High, 1988 Low. Includes METALS, GRAIN, OILS, and OTHER COMMODITIES.

US MARKETS

Table with columns: Commodity, High, Low, Prev. Includes ORANGE JUICE, GOLD AND PLATINUM, and SUGAR WORLD.

NEW YORK

Table with columns: Commodity, High, Low, Prev. Includes ALUMINIUM, COCA, COFFEE, COPPER, DOW JONES, and SOYABEAN MEAL.

INDICES

Table with columns: Index Name, Dec 18, Dec 17, Dec 16, Dec 15, Dec 14. Includes REUTERS, DOW JONES, and COFFEE.

MAIN PRICE CHANGES

Table with columns: Commodity, High, Low, Prev. Includes METALS, GRAIN, OILS, and SOYABEAN MEAL.

WHEAT

Table with columns: Year, High, Low, Business Done. Includes WHEAT, HEATING OIL, and COFFEE.

COFFEE

Table with columns: Year, High, Low, Business Done. Includes COFFEE, COCOA, and GOLD.

COCOA

Table with columns: Year, High, Low, Business Done. Includes COCOA, RUBBER, and OIL.

RUBBER

Table with columns: Year, High, Low, Business Done. Includes RUBBER, POTATOES, and SOYABEAN MEAL.

POTATOES

Table with columns: Year, High, Low, Business Done. Includes POTATOES, SOYABEAN MEAL, and GRAINS.

SOYABEAN MEAL

Table with columns: Year, High, Low, Business Done. Includes SOYABEAN MEAL, GRAINS, and MEAT.

GRAINS

Table with columns: Year, High, Low, Business Done. Includes GRAINS, MEAT, and FREIGHT FUTURES.

MEAT

Table with columns: Year, High, Low, Business Done. Includes MEAT, FREIGHT FUTURES, and SUGAR.

FREIGHT FUTURES

Table with columns: Commodity, High, Low, Prev. Includes FREIGHT FUTURES, SUGAR, and GAS OIL FUTURES.

GAS OIL FUTURES

Table with columns: Year, High, Low, Business Done. Includes GAS OIL FUTURES, HEAVY FUEL OIL, and SUGAR.

HEAVY FUEL OIL

Table with columns: Year, High, Low, Business Done. Includes HEAVY FUEL OIL, SUGAR, and RUBBER.

SUGAR

Table with columns: Year, High, Low, Business Done. Includes SUGAR, RUBBER, and OIL.

RUBBER

Table with columns: Year, High, Low, Business Done. Includes RUBBER, OIL, and POTATOES.

OIL

Table with columns: Year, High, Low, Business Done. Includes OIL, POTATOES, and SOYABEAN MEAL.

POTATOES

Table with columns: Year, High, Low, Business Done. Includes POTATOES, SOYABEAN MEAL, and GRAINS.

SOYABEAN MEAL

Table with columns: Year, High, Low, Business Done. Includes SOYABEAN MEAL, GRAINS, and MEAT.

GRAINS

Table with columns: Year, High, Low, Business Done. Includes GRAINS, MEAT, and FREIGHT FUTURES.

MEAT

Table with columns: Year, High, Low, Business Done. Includes MEAT, FREIGHT FUTURES, and SUGAR.

WORLD STOCK MARKETS

NEW YORK

Table of New York stock market data including various stock prices and indices.

NEW YORK INDICES

Table of New York stock market indices such as Dow Jones, S&P 500, and others.

CANADA

Table of Canadian stock market data.

WALL STREET

Dow up 16 in record volume

Oil advanced although Opec ministerial meeting was delayed further. Amoco jumped \$4 to \$70 on a late wave of frenzied buying.

CANADA

Stocks were lifted to a solid gain from sluggish trading by a late wave of frenzied buying.

HONG KONG

Sharply higher on heavy turnover, with strong demand from overseas investors.

TOKYO

Stocks rebounded to near-record levels as investors bought in anticipation of further year-end gains.

SINGAPORE

Marginally mixed after moving uncertain on selective buying and bouts of profit-taking.

GERMANY

Mostly easier after a quiet session. Large institutional investors and banks have for some time now withdrawn from the market.

AUSTRALIA

Share markets closed at record highs in active trading on wide support for industrial and resource shares.

AMSTERDAM

Higher in thin trade on the final day of a last full week's session of the year.

PARIS

French stocks made a technical rebound to close higher in active trading.

SWITZERLAND

Swiss share prices finished mixed in slow pre-holiday trading.

CANADA

Table of Canadian stock market data.

AUSTRIA

Table of Austrian stock market data.

GERMANY

Table of German stock market data.

NORWAY

Table of Norwegian stock market data.

FINLAND

Table of Finnish stock market data.

NETHERLANDS

Table of Dutch stock market data.

FRANCE

Table of French stock market data.

NETHERLANDS

Table of Dutch stock market data.

FRANCE

Table of French stock market data.

AUSTRALIA (continued)

Table of Australian stock market data.

JAPAN (continued)

Table of Japanese stock market data.

SPAIN

Table of Spanish stock market data.

SWEDEN

Table of Swedish stock market data.

HONG KONG

Table of Hong Kong stock market data.

JAPAN

Table of Japanese stock market data.

NETHERLANDS

Table of Dutch stock market data.

FRANCE

Table of French stock market data.

NETHERLANDS

Table of Dutch stock market data.

FRANCE

Table of French stock market data.

NOTES - Prices on this page are quoted on the individual exchanges and are last traded prices. Exchanges suspended.

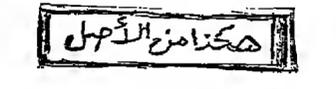
CANADA

Table of Canadian stock market data.

NEW YORK STOCKS

Table of New York stock market data.

Friday Stocks Closing prices day. NYSE 1,800.00, Dow Jones 1,800.00.



LONDON STOCK EXCHANGE

DEALINGS

Details of business done show how far taken with content from last Thursday's... Details of business done show how far taken with content from last Thursday's...

Details of business done show how far taken with content from last Thursday's... Details of business done show how far taken with content from last Thursday's...

Details of business done show how far taken with content from last Thursday's... Details of business done show how far taken with content from last Thursday's...

Details of business done show how far taken with content from last Thursday's... Details of business done show how far taken with content from last Thursday's...

Details of business done show how far taken with content from last Thursday's... Details of business done show how far taken with content from last Thursday's...

Details of business done show how far taken with content from last Thursday's... Details of business done show how far taken with content from last Thursday's...

Details of business done show how far taken with content from last Thursday's... Details of business done show how far taken with content from last Thursday's...

Details of business done show how far taken with content from last Thursday's... Details of business done show how far taken with content from last Thursday's...

Details of business done show how far taken with content from last Thursday's... Details of business done show how far taken with content from last Thursday's...

Details of business done show how far taken with content from last Thursday's... Details of business done show how far taken with content from last Thursday's...

Details of business done show how far taken with content from last Thursday's... Details of business done show how far taken with content from last Thursday's...

Details of business done show how far taken with content from last Thursday's... Details of business done show how far taken with content from last Thursday's...

Details of business done show how far taken with content from last Thursday's... Details of business done show how far taken with content from last Thursday's...

Details of business done show how far taken with content from last Thursday's... Details of business done show how far taken with content from last Thursday's...

Details of business done show how far taken with content from last Thursday's... Details of business done show how far taken with content from last Thursday's...

Details of business done show how far taken with content from last Thursday's... Details of business done show how far taken with content from last Thursday's...

Details of business done show how far taken with content from last Thursday's... Details of business done show how far taken with content from last Thursday's...

Details of business done show how far taken with content from last Thursday's... Details of business done show how far taken with content from last Thursday's...

Details of business done show how far taken with content from last Thursday's... Details of business done show how far taken with content from last Thursday's...

Details of business done show how far taken with content from last Thursday's... Details of business done show how far taken with content from last Thursday's...

Details of business done show how far taken with content from last Thursday's... Details of business done show how far taken with content from last Thursday's...

Lea Service 50p/100 1992-97 579 (1812) ... Details of various stock listings and prices.

UK PUBLIC BONDS ... Details of public bond listings and prices.

FOREIGN STOCKS (coupons payable in London) ... Details of foreign stock listings.

STERLING ISSUES BY OVERSEAS BORROWERS ... Details of sterling issues by overseas borrowers.

BANKS, DISCOUNT ... Details of bank and discount listings.

BREWERIES ... Details of brewery stock listings.

COMMERCIAL INDUSTRIAL ... Details of commercial and industrial stock listings.

FINANCIAL TRUSTS ... Details of financial trust listings.

NEW BRUNSWICK RAILWAY ... Details of New Brunswick Railway stock.

UTILITIES ... Details of utility stock listings.

WATERWORKS ... Details of waterworks stock listings.

UNLISTED SECURITIES MARKET ... Details of unlisted securities market.

SPECIAL LIST ... Details of special list of securities.

MINES - MISCELLANEOUS ... Details of mines and miscellaneous stock listings.

PROPERTY ... Details of property stock listings.

PLANTATIONS ... Details of plantation stock listings.

Channel Harbours and Press 100:150 3 ... Details of Channel Harbours and Press stock.

SHIPPING ... Details of shipping stock listings.

FINANCIAL TIMES BOOKLETS ... Details of financial times booklets.

TRADING VOLUME IN MAJOR STOCKS ... Details of trading volume in major stocks.

LEADERS AND LAGGARDS ... Details of leaders and laggards in the market.

FT-ACTUARIES INDICES ... Details of FT-actuaries indices.

These indices are the joint compilation of the Financial Times, The Institute of Actuaries and the Faculty of Actuaries ... Details of the joint compilation of indices.

Table with columns: EQUITY GROUPS & SUB-SECTIONS, Friday December 19 1986, 1986, 1985, 1984, 1983, 1982, 1981, 1980, 1979, 1978, 1977, 1976, 1975, 1974, 1973, 1972, 1971, 1970, 1969, 1968, 1967, 1966, 1965, 1964, 1963, 1962, 1961, 1960, 1959, 1958, 1957, 1956, 1955, 1954, 1953, 1952, 1951, 1950, 1949, 1948, 1947, 1946, 1945, 1944, 1943, 1942, 1941, 1940, 1939, 1938, 1937, 1936, 1935, 1934, 1933, 1932, 1931, 1930, 1929, 1928, 1927, 1926, 1925, 1924, 1923, 1922, 1921, 1920, 1919, 1918, 1917, 1916, 1915, 1914, 1913, 1912, 1911, 1910, 1909, 1908, 1907, 1906, 1905, 1904, 1903, 1902, 1901, 1900, 1899, 1898, 1897, 1896, 1895, 1894, 1893, 1892, 1891, 1890, 1889, 1888, 1887, 1886, 1885, 1884, 1883, 1882, 1881, 1880, 1879, 1878, 1877, 1876, 1875, 1874, 1873, 1872, 1871, 1870, 1869, 1868, 1867, 1866, 1865, 1864, 1863, 1862, 1861, 1860, 1859, 1858, 1857, 1856, 1855, 1854, 1853, 1852, 1851, 1850, 1849, 1848, 1847, 1846, 1845, 1844, 1843, 1842, 1841, 1840, 1839, 1838, 1837, 1836, 1835, 1834, 1833, 1832, 1831, 1830, 1829, 1828, 1827, 1826, 1825, 1824, 1823, 1822, 1821, 1820, 1819, 1818, 1817, 1816, 1815, 1814, 1813, 1812, 1811, 1810, 1809, 1808, 1807, 1806, 1805, 1804, 1803, 1802, 1801, 1800, 1799, 1798, 1797, 1796, 1795, 1794, 1793, 1792, 1791, 1790, 1789, 1788, 1787, 1786, 1785, 1784, 1783, 1782, 1781, 1780, 1779, 1778, 1777, 1776, 1775, 1774, 1773, 1772, 1771, 1770, 1769, 1768, 1767, 1766, 1765, 1764, 1763, 1762, 1761, 1760, 1759, 1758, 1757, 1756, 1755, 1754, 1753, 1752, 1751, 1750, 1749, 1748, 1747, 1746, 1745, 1744, 1743, 1742, 1741, 1740, 1739, 1738, 1737, 1736, 1735, 1734, 1733, 1732, 1731, 1730, 1729, 1728, 1727, 1726, 1725, 1724, 1723, 1722, 1721, 1720, 1719, 1718, 1717, 1716, 1715, 1714, 1713, 1712, 1711, 1710, 1709, 1708, 1707, 1706, 1705, 1704, 1703, 1702, 1701, 1700, 1699, 1698, 1697, 1696, 1695, 1694, 1693, 1692, 1691, 1690, 1689, 1688, 1687, 1686, 1685, 1684, 1683, 1682, 1681, 1680, 1679, 1678, 1677, 1676, 1675, 1674, 1673, 1672, 1671, 1670, 1669, 1668, 1667, 1666, 1665, 1664, 1663, 1662, 1661, 1660, 1659, 1658, 1657, 1656, 1655, 1654, 1653, 1652, 1651, 1650, 1649, 1648, 1647, 1646, 1645, 1644, 1643, 1642, 1641, 1640, 1639, 1638, 1637, 1636, 1635, 1634, 1633, 1632, 1631, 1630, 1629, 1628, 1627, 1626, 1625, 1624, 1623, 1622, 1621, 1620, 1619, 1618, 1617, 1616, 1615, 1614, 1613, 1612, 1611, 1610, 1609, 1608, 1607, 1606, 1605, 1604, 1603, 1602, 1601, 1600, 1599, 1598, 1597, 1596, 1595, 1594, 1593, 1592, 1591, 1590, 1589, 1588, 1587, 1586, 1585, 1584, 1583, 1582, 1581, 1580, 1579, 1578, 1577, 1576, 1575, 1574, 1573, 1572, 1571, 1570, 1569, 1568, 1567, 1566, 1565, 1564, 1563, 1562, 1561, 1560, 1559, 1558, 1557, 1556, 1555, 1554, 1553, 1552, 1551, 1550, 1549, 1548, 1547, 1546, 1545, 1544, 1543, 1542, 1541, 1540, 1539, 1538, 1537, 1536, 1535, 1534, 1533, 1532, 1531, 1530, 1529, 1528, 1527, 1526, 1525, 1524, 1523, 1522, 1521, 1520, 1519, 1518, 1517, 1516, 1515, 1514, 1513, 1512, 1511, 1510, 1509, 1508, 1507, 1506, 1505, 1504, 1503, 1502, 1501, 1500, 1499, 1498, 1497, 1496, 1495, 1494, 1493, 1492, 1491, 1490, 1489, 1488, 1487, 1486, 1485, 1484, 1483, 1482, 1481, 1480, 1479, 1478, 1477, 1476, 1475, 1474, 1473, 1472, 1471, 1470, 1469, 1468, 1467, 1466, 1465, 1464, 1463, 1462, 1461, 1460, 1459, 1458, 1457, 1456, 1455, 1454, 1453, 1452, 1451, 1450, 1449, 1448, 1447, 1446, 1445, 1444, 1443, 1442, 1441, 1440, 1439, 1438, 1437, 1436, 1435, 1434, 1433, 1432, 1431, 1430, 1429, 1428, 1427, 1426, 1425, 1424, 1423, 1422, 1421, 1420, 1419, 1418, 1417, 1416, 1415, 1414, 1413, 1412, 1411, 1410, 1409, 1408, 1407, 1406, 1405, 1404, 1403, 1402, 1401, 1400, 1399, 1398, 1397, 1396, 1395, 1394, 1393, 1392, 1391, 1390, 1389, 1388, 1387, 1386, 1385, 1384, 1383, 1382, 1381, 1380, 1379, 1378, 1377, 1376, 1375, 1374, 1373, 1372, 1371, 1370, 1369, 1368, 1367, 1366, 1365, 1364, 1363, 1362, 1361, 1360, 1359, 1358, 1357, 1356, 1355, 1354, 1353, 1352, 1351, 1350, 1349, 1348, 1347, 1346, 1345, 1344, 1343, 1342, 1341, 1340, 1339, 1338, 1337, 1336, 1335, 1334, 1333, 1332, 1331, 1330, 1329, 1328, 1327, 1326, 1325, 1324, 1323, 1322, 1321, 1320, 1319, 1318, 1317, 1316, 1315, 1314, 1313, 1312, 1311, 1310, 1309, 1308, 1307, 1306, 1305, 1304, 1303, 1302, 1301, 1300, 1299, 1298, 1297, 1296, 1295, 1294, 1293, 1292, 1291, 1290, 1289, 1288, 1287, 1286, 1285, 1284, 1283, 1282, 1281, 1280, 1279, 1278, 1277, 1276, 1275, 1274, 1273, 1272, 1271, 1270, 1269, 1268, 1267, 1266, 1265, 1264, 1263, 1262, 1261, 1260, 1259, 1258, 1257, 1256, 1255, 1254, 1253, 1252, 1251, 1250, 1249, 1248, 1247, 1246, 1245, 1244, 1243, 1242, 1241, 1240, 1239, 1238, 1237, 1236, 1235, 1234, 1233, 1232, 1231, 1230, 1229, 1228, 1227, 1226, 1225, 1224, 1223, 1222, 1221, 1220, 1219, 1218, 1217, 1216, 1215, 1214, 1213, 1212, 1211, 1210, 1209, 1208, 1207, 1206, 1205, 1204, 1203, 1202, 1201, 1200, 1199, 1198, 1197, 1196, 1195, 1194, 1193, 1192, 1191, 1190, 1189, 1188, 1187, 1186, 1185, 1184, 1183, 1182, 1181, 1180, 1179, 1178, 1177, 1176, 1175, 1174, 1173, 1172, 1171, 1170, 1169, 1168, 1167, 1166, 1165, 1164, 1163, 1162, 1161, 1160, 1159, 1158, 1157, 1156, 1155, 1154, 1153, 1152, 1151, 1150, 1149, 1148, 1147, 1146, 1145, 1144, 1143, 1142, 1141, 1140, 1139, 1138, 1137, 1136, 1135, 1134, 1133, 1132, 1131, 1130, 1129, 1128, 1127, 1126, 1125, 1124, 1123, 1122, 1121, 1120, 1119, 1118, 1117, 1116, 1115, 1114, 1113, 1112, 1111, 1110, 1109, 1108, 1107, 1106, 1105, 1104, 1103, 1102, 1101, 1100, 1099, 1098, 1097, 1096, 1095, 1094, 1093, 1092, 1091, 1090, 1089, 1088, 1087, 1086, 1085, 1084, 1083, 1082, 1081, 1080, 1079, 1078, 1077, 1076, 1075, 1074, 1073, 1072, 1071, 1070, 1069, 1068, 1067, 1066, 1065, 1064, 1063, 1062, 1061, 1060, 1059, 1058, 1057, 1056, 1055, 1054, 1053, 1052, 1051, 1050, 1049, 1048, 1047, 1046, 1045, 1044, 1043, 1042, 1041, 1040, 1039, 1038, 1037, 1036, 1035, 1034, 1033, 1032, 1031, 1030, 1029, 1028, 1027, 1026, 1025, 1024, 1023, 1022, 1021, 1020, 1019, 1018, 1017, 1016, 1015, 1014, 1013, 1012, 1011, 1010, 1009, 1008, 1007, 1006, 1005, 1004, 1003, 1002, 1001, 1000, 999, 998, 997, 996, 995, 994, 993, 992, 991, 990, 989, 988, 987, 986, 985, 984, 983, 982, 981, 980, 979, 978, 977, 976, 975, 974, 973, 972, 971, 970, 969, 968, 967, 966, 965, 964, 963, 962, 961, 960, 959, 958, 957, 956, 955, 954, 953, 952, 951, 950, 949, 948, 947, 946, 945, 944, 943, 942, 941, 940, 939, 938, 937, 936, 935, 934, 933, 932, 931, 930, 929, 928, 927, 926, 925, 924, 923, 922, 921, 920, 919, 918, 917, 916, 915, 914, 913, 912, 911, 910, 909, 908, 907, 906, 905, 904, 903, 902, 901, 900, 899, 898, 897, 896, 895, 894, 893, 892, 891, 890, 889, 888, 887, 886, 885, 884, 883, 882, 881, 880, 879, 878, 877, 876, 875, 874, 873, 872, 871, 870, 869, 868, 867, 866, 865, 864, 863, 862, 861, 860, 859, 858, 857, 856, 855, 854, 853, 852, 851, 850, 849, 848, 847, 846, 845, 844, 843, 842, 841, 840, 839, 838, 837, 836, 835, 834, 833, 832, 831, 830, 829, 828, 827, 826, 825, 824, 823, 822, 821, 820, 819, 818, 817, 816, 815, 814, 813, 812, 811, 810, 809, 808, 807, 806, 805, 804, 803, 802, 801, 800, 799, 798, 797, 796, 795, 794, 793, 792, 791, 790, 789, 788, 787, 786, 785, 784, 783, 782, 781, 780, 779, 778, 777, 776, 775, 774, 773, 772, 771, 770, 769, 768, 767, 766, 765, 764, 763, 762, 761, 760, 759, 758, 757, 756, 755, 754, 753, 752, 751, 750, 749, 748, 747, 746, 745, 744, 743, 742, 741, 740, 739, 738, 737, 736, 735, 734, 733, 732, 731, 730, 729, 728, 727, 726, 725, 724, 723, 722, 721, 720, 719, 718, 717, 716, 715, 714, 713, 712, 711, 710, 709, 708, 707, 706, 705, 704, 703, 702, 701, 700, 699, 698, 697, 696, 695, 694, 693, 692, 691, 690, 689, 688, 687, 686, 685, 684, 683, 682, 681, 680, 679, 678, 677, 676, 675, 674, 673, 672, 671, 670, 669, 668, 667, 666, 665, 664, 663, 662, 661, 660, 659, 658, 657, 656, 655, 654, 653, 652, 651, 650, 649, 648, 647, 646, 645, 644, 643, 642, 641, 640, 639, 638, 637, 636, 635, 634, 633, 632, 631, 630, 629, 628, 627, 626, 625, 624, 623, 622, 621, 620, 619, 618, 617, 616, 615, 614, 613, 612, 611, 610, 609, 608, 607, 606, 605, 604, 603, 602, 601, 600, 599, 598, 597, 596, 595, 594, 593, 592, 591, 590, 589, 588, 587, 586, 585, 584, 583, 582, 581, 580, 579, 578, 577, 576, 575, 574, 573, 572, 571, 570, 569, 568, 567, 566, 565, 564, 563, 562, 561, 560, 559, 558, 557, 556, 555, 554, 553, 552, 551, 550, 549, 548, 547, 546, 545, 544, 543, 542, 541, 540, 539, 538, 537, 536, 535, 534, 533, 532, 531, 530, 529, 528, 527, 526, 525, 524, 523, 522, 521, 520, 519, 518, 517, 516, 515, 514, 513, 512, 511, 510, 509, 508, 507, 506, 505, 504, 503, 502, 501, 500, 499, 498, 497, 496, 495, 494, 493, 492, 491, 490, 489, 488, 487, 486, 485, 484, 483, 482, 481, 480, 479, 478, 477, 476, 475, 474, 473, 472, 471, 470, 469, 468, 467, 466, 465, 464, 463, 462, 461, 460, 459, 458, 457, 456, 455, 454, 453, 452, 451, 450, 449, 448, 447, 446, 445, 444, 443, 442, 441, 440, 439, 438, 437, 436, 435, 434, 433, 432, 431, 430, 429, 428, 427, 426, 425, 424, 423, 422, 421, 420, 419, 418, 417, 416, 415, 414, 413, 412, 411, 410, 409, 408, 407, 406, 405, 404, 403, 402, 401, 400, 399, 398, 397, 396, 395, 394, 393, 392, 391, 390, 389, 388, 387, 386, 385, 384, 383, 382, 381, 380, 379, 378, 377, 376, 375, 374, 373, 372, 371, 370, 369, 368, 367, 366, 365, 364, 363, 362, 361, 360, 359, 358, 357, 356, 355, 354, 353, 352, 351, 350, 349, 348, 347, 346, 345, 344, 343, 342, 341, 340, 339, 338, 337, 336, 335, 334, 333, 332, 331, 330, 329, 328, 327, 326, 325, 324, 323, 322, 321, 320, 319, 318, 317, 316, 315, 314, 313, 312, 311, 310, 309, 308, 307, 306, 305, 304, 303, 302, 301, 300, 299, 298, 297, 296, 295, 294, 293, 292, 291, 290, 289, 288, 287, 286, 285, 284, 283, 282, 281, 280, 279, 278, 277, 276, 275, 274, 273, 272, 271, 270, 269, 268, 267, 266, 265, 264, 263, 262, 261, 260, 259, 258, 257, 256, 255, 254, 253, 252, 251, 250, 249, 248, 247, 246, 245, 244, 243, 242, 241, 240, 239, 238, 237, 236, 235, 2

Handwritten note: "Handwritten note in the top center of the page, possibly a signature or initials." (Note: The image shows a handwritten signature, likely "John Smith", written in black ink over the "FINANCIAL INFORMATION SERVICE" header.)

FINANCIAL INFORMATION SERVICE

AUTHORISED UNIT TRUSTS

Table listing various unit trusts such as British Trustee, British Equities, British Income, etc., with columns for Name, Type, and other details.

Table listing unit trusts under the heading "British Trustee Managers Ltd" and "British Equities", including details like "British Equities (UK)", "British Income", etc.

Table listing unit trusts under the heading "British Income", "British Property", "British Shares", etc., with columns for Name, Type, and other details.

Table listing unit trusts under the heading "British Shares", "British Property", "British Income", etc., with columns for Name, Type, and other details.

Table listing unit trusts under the heading "British Income", "British Property", "British Shares", etc., with columns for Name, Type, and other details.

Table listing unit trusts under the heading "British Income", "British Property", "British Shares", etc., with columns for Name, Type, and other details.

Table listing unit trusts under the heading "British Income", "British Property", "British Shares", etc., with columns for Name, Type, and other details.

Table listing unit trusts under the heading "British Income", "British Property", "British Shares", etc., with columns for Name, Type, and other details.

Table listing unit trusts under the heading "British Income", "British Property", "British Shares", etc., with columns for Name, Type, and other details.

Table listing unit trusts under the heading "British Income", "British Property", "British Shares", etc., with columns for Name, Type, and other details.

JOTTER PAD

If you wish to purchase this space for your company message please call Daniel Russell, 01-248 8000, Ext. 4181 or your usual Financial Times Representative.

EUROPEAN OPTIONS EXCHANGE

Table showing European options exchange data with columns for Name, Price, and other details.

BANK RETURN

Table showing bank return data for various banks and departments, including "Banking Department" and "SUE Department".

Table listing unit trusts under the heading "British Income", "British Property", "British Shares", etc., with columns for Name, Type, and other details.

Table listing unit trusts under the heading "British Income", "British Property", "British Shares", etc., with columns for Name, Type, and other details.

Table listing unit trusts under the heading "British Income", "British Property", "British Shares", etc., with columns for Name, Type, and other details.

Table listing unit trusts under the heading "British Income", "British Property", "British Shares", etc., with columns for Name, Type, and other details.

INSURANCES

Table listing insurance companies and their details, including "AA Friendly Society", "Abey Life Assurance Co Ltd", etc.

AUTHORISED UNIT TRUST & INSURANCES

Main table containing financial data for various insurance and unit trust companies, including American Life Insurance Co UK, British National Life Assurance Co Ltd, and others. Columns include company names, addresses, and financial figures.

Handwritten signature or initials at the bottom center of the page.

OVERSEAS & MONEY FUNDS

Main table listing various financial products, companies, and their details. Includes columns for company names, fund names, and numerical values.

Money Market Trust Funds

Table listing Money Market Trust Funds with columns for fund name, value, and other metrics.

Money Market Bank Accounts

Table listing Money Market Bank Accounts with columns for bank name, account type, and interest rates.

Money Market Bank Accounts

Table listing Money Market Bank Accounts with columns for bank name, account type, and interest rates.

Money Market Bank Accounts

Table listing Money Market Bank Accounts with columns for bank name, account type, and interest rates.

Money Market Bank Accounts

Table listing Money Market Bank Accounts with columns for bank name, account type, and interest rates.

Money Market Bank Accounts

Table listing Money Market Bank Accounts with columns for bank name, account type, and interest rates.

Money Market Bank Accounts

Table listing Money Market Bank Accounts with columns for bank name, account type, and interest rates.

Money Market Bank Accounts

Table listing Money Market Bank Accounts with columns for bank name, account type, and interest rates.

Money Market Bank Accounts

Table listing Money Market Bank Accounts with columns for bank name, account type, and interest rates.

OFFSHORE AND OVERSEAS

Table listing Offshore and Overseas financial products and services.

OFFSHORE AND OVERSEAS

Table listing Offshore and Overseas financial products and services.

OFFSHORE AND OVERSEAS

Table listing Offshore and Overseas financial products and services.

OFFSHORE AND OVERSEAS

Table listing Offshore and Overseas financial products and services.

OFFSHORE AND OVERSEAS

Table listing Offshore and Overseas financial products and services.

OFFSHORE AND OVERSEAS

Table listing Offshore and Overseas financial products and services.

OFFSHORE AND OVERSEAS

Table listing Offshore and Overseas financial products and services.

OFFSHORE AND OVERSEAS

Table listing Offshore and Overseas financial products and services.

MANAGEMENT SERVICES

Table listing Management Services providers and their offerings.

MANAGEMENT SERVICES

Table listing Management Services providers and their offerings.

MANAGEMENT SERVICES

Table listing Management Services providers and their offerings.

MANAGEMENT SERVICES

Table listing Management Services providers and their offerings.

MANAGEMENT SERVICES

Table listing Management Services providers and their offerings.

MANAGEMENT SERVICES

Table listing Management Services providers and their offerings.

MANAGEMENT SERVICES

Table listing Management Services providers and their offerings.

MANAGEMENT SERVICES

Table listing Management Services providers and their offerings.

Notes and additional information regarding the financial products and services listed.

INDUSTRIALS - Continued table with columns for stock names, prices, and changes.

LEISURE - Continued table with columns for stock names, prices, and changes.

PROPERTY - Continued table with columns for stock names, prices, and changes.

INVESTMENT TRUSTS - Continued table with columns for stock names, prices, and changes.

FINANCE, LAND - Continued table with columns for stock names, prices, and changes.

MINES - Continued table with columns for stock names, prices, and changes.

INSURANCE table with columns for stock names, prices, and changes.

PROPERTY table with columns for stock names, prices, and changes.

PROPERTY table with columns for stock names, prices, and changes.

PROPERTY table with columns for stock names, prices, and changes.

PROPERTY table with columns for stock names, prices, and changes.

PROPERTY table with columns for stock names, prices, and changes.

LEISURE table with columns for stock names, prices, and changes.

PROPERTY table with columns for stock names, prices, and changes.

PROPERTY table with columns for stock names, prices, and changes.

PROPERTY table with columns for stock names, prices, and changes.

PROPERTY table with columns for stock names, prices, and changes.

PROPERTY table with columns for stock names, prices, and changes.

Notes and financial information including 'PLANTATIONS', 'OVERSEAS TRADERS', 'MISCELLANEOUS', and 'NOTES'.

Handwritten signature or mark at the bottom center of the page.

LOPEPE
SPAIN'S SHERRY
GONZALEZ BYASS

a fully integrated banking service
DAIWA BANK
Head Office: Osaka, Japan
London Branch: Tel: (01) 623-4200
Frankfurt Branch: Tel: (039) 56 02 31
Paris Representative Office: Tel: (01) 4296 15 73
Daiwa Bank (Capital Management) Limited, London
Tel: (01) 623-4200
Daiwa Finanz AG, Zurich: Tel: (01) 211 03 11

End in sight to Scottish teachers' two-year-old dispute

By James Buxton in Edinburgh and David Brindle in London

THE SCOTTISH teachers' two-year-old dispute looked set to end last night after leaders of the Educational Institute of Scotland, Scotland's largest teachers' union, voted to recommend acceptance of a pay and conditions offer.

However, the prospect of a government-imposed settlement loomed large in the parallel dispute in England and Wales after negotiations between the employers and the teachers' unions failed to appease ministers with any changes in the agreement they reached last month.

The proposed deal with employers in Scotland was welcomed by Mr Malcolm Rifkind, Scottish Secretary. He said it provided a formula for permanent peace.

The Scottish Joint Negotiating Council, which groups employers, unions and government observers, said it was pleased that members agreed to stick to the Government's formula of an average 16.4 per cent pay rise.

This is to be paid in two stages, on next January 1 and October 1, and will run to October 1988. It will set a common maximum salary of £13,300 for the highest grade of classroom teacher by October 1 1988.

However, distribution of the pay rise within the formula has been altered and the teachers have won concessions on service conditions.

Last night the EIS executive voted 22 to six to recommend that members approve the offer. A ballot will be held early next month. The three other teachers' unions will also ballot members.

Mr John Pollock, EIS general secretary listed among union gains the preservation of negotiating rights; abandonment of what he called draconian powers for head teachers proposed by the committee under Sir Peter Main, which reported on Scottish teachers' pay and conditions; and the dropping of the Maio committee's proposal to institute a grade of senior teacher.

The employers also granted teachers a seven-day cut in the number of days they must work a year. The teachers have agreed to work extra hours a year over and above the basic 27 1/2-hour week.

In England and Wales attention now focuses on the meeting of the statutory Burnham pay negotiating committee on January 7, when the employers and the unions plan to ratify their agreement, subject to funding by the Government.

The two sides propose to meet the Government's cost requirements by staggering further the implementation of the 15-month agreement, reducing its cost to the £608m specified by Mr Kenneth Baker, Education Secretary.

However, the two sides failed to meet Mr Baker's demand for more allowances for private teachers. Although the employers were prepared to propose at least one extra allowance on top of the two agreed, they said they abided by the teachers' majority vote.

The employers, though not the unions, have agreed to try to head off the Government's plans for a pay advisory committee, replacing Burnham, by offering a scheme whereby Parliament would have a veto over any negotiated settlement.

Downing Street unit joins defence buying inquiry

BY DAVID BUCHAN

THE DOWNING Street efficiency unit is to join the Ministry of Defence in an internal scrutiny of defence procurement policies in the wake of the cancellation of General Electric Company's £300m Nimrod radar project, the Ministry announced last night.

GEC Avionics, which has sharply criticised the MOD for its part in the mismanagement of the nine-year Nimrod project, said earlier yesterday that the project's cancellation made some job losses inevitable, but added there were many vacancies to be filled elsewhere within the company and the GEC group. GEC has been employing 1,500 people on the Nimrod project.

Plessey, the subject of a recent hostile takeover bid by GEC, yesterday hailed the Government's decision to buy Avonics radar aircraft from Boeing rather than GEC's Nimrod as a massive commercial opportunity for companies like itself involved in the US company's offset programme of work for British industry.

But Plessey was yesterday forced to abandon a planned recruiting seminar close to the GEC Avionics factory at Borehamwood, in Hertfordshire because of the presence of press and television reporters at the site.

"There was no way we could offer confidentiality to would-be job applicants," the company said.

The MOD inquiry will be conducted by two of its officials and a member of the Downing Street

efficiency unit. They will report on how the Ministry set technical specifications for defence contracts and how it monitors their fulfilment to Mr George Younger, Defence Secretary, and to Sir Robin Ibbot, the Prime Minister's efficiency adviser.

Mr Younger has already said his Ministry was partly to blame for the way that the Nimrod project was allowed to drift since 1977 without clear technical monitoring and effective financial incentives.

But the inquiry is to focus more widely than on just the Nimrod project, which itself seems certain to be scrutinised by the Commons Public Accounts Committee, and possibly also the Commons Defence Committee, in the New Year.

Meanwhile, Mr Younger yesterday also announced greater flexibility for MOD procurement funds over an experimental period of three years, the Ministry will be allowed to carry over from one financial year to another up to an extra £400m in unspent capital funds, in addition to the 5 per cent of the defence budget which it can already carry forward, he said in a Commons written reply.

This results from tighter controls on contractors to results. This has made forecasting MOD payments more difficult in the short term.

John Hunt adds: Mr James Prior, the former Conservative cabinet minister, who is chairman of GEC, said last night that

the company was "led the whole way" by the Ministry. He said he believed that the Nimrod system was working.

From March onwards, there were five reports by GEC Avionics. Only on the first did the Ministry make any adverse comments, he said.

Interviewed on Channel 4's A Week in Politics, he criticised the way the Ministry handled contracts. He thought they should introduce a fixed-price system instead of the present cost-plus arrangement.

But the inquiry is to focus more widely than on just the Nimrod project, which itself seems certain to be scrutinised by the Commons Public Accounts Committee, and possibly also the Commons Defence Committee, in the New Year.

Mr Robert Sheldon, the Labour MP who is chairman of the Commons Public Accounts Committee, said yesterday the committee would consider what line of action to take when it meets soon after the Commons returns on January 12.

Mr Sheldon felt that members would like to investigate what went wrong, as the relationship with contractors was crucial to the way the Ministry operated.

An inquiry by the Defence Select Committee is less probable, although it will consider the matter when it meets on January 14.

Mr Michael Mates, the Conservative MP who is the chairman of that committee, said yesterday he felt a full inquiry was unlikely.

Labour will demand statement on DTI allegations

By Clay Harris and John Hunt

THE LABOUR Party will demand a Government statement after Christmas on allegations that civil servants at the Department of Trade and Industry might have been involved in insider share-dealing.

Mr Alan Williams, Labour's deputy shadow leader of the House of Commons, protested that the Government had yesterday twice refused an official opposition request for information, even though the House was going into recess.

Meanwhile, Mr Michael Howard, Minister for Corporate and Consumer Affairs, insisted on BBC radio that there was no need for a body similar to the US Securities and Exchange Commission to deal with such cases.

Mr Howard said that independent inspectors, such as those appointed on Thursday to investigate allegations of insider dealing in Government departments, had "draconian" powers under the new Financial Services Act.

Mr Williams said that the investigation announced on Thursday into the Department of Trade and Industry's departments, the Office of Fair Trading and the Monopolies and Mergers Commission—was far more important than the separate DTI inquiry into affairs at Guinness.

It struck at the heart of the Government's relationship with industry, which was dependent on industry's confidence that private information provided by it would remain confidential.

In an unrelated case, it became clear yesterday that investments in a limited partnership set up by Mr Ivan Boesky, the US arbitrageur who has admitted insider dealing, might not be fully repaid.

Mr Boesky's relationship to Guinness, one of the investors in the partnership, is one subject of the DTI probe into the affairs of the diversified beverage group.

Under the terms of the limited partnership, equity investors such as Guinness and several other UK partners have lower precedence in the event of liquidation than holders of high-yielding bonds issued through Drexel Burnham Lambert.

The New York Times has reported that as much as \$100m (£70m) of the \$335m equity investment might be at risk when the fund is wound up.

The Water Authorities Superannuation Fund had invested \$10m with Mr Boesky, Mr David Morse, investment manager, said yesterday: "The suggestion has been there would be a recovery of between 50 and 75 per cent."

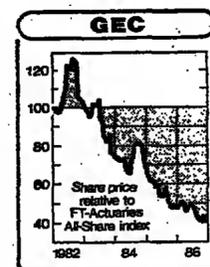
Guinness, by far the largest single investor with \$100m at stake, said: "Our advice at the moment is that we believe we will come out of this without a loss. Nobody is going to know until the fund is wound up."

Imperial Group Pension Trust, with an investment of \$5m, voiced similar optimism, hedged with uncertainty: "We expect to get a repayment of some sort eventually. We have an idea of the timing or the amount at the moment."

Guinness yesterday sold Distillers House, St James's Square, the former London headquarters of Distillers Group, for £30.5m in a group led by Londm & Metropollitan. Editorial Comment Page 6

THE LEX COLUMN Guinness on the ropes

Index rose 1.5 to 1272.1



Yesterday arguing that Nimrod might have proved more trouble than it was worth.

Or possibly the market see this as GEC's turning point GEC has clearly been on trial for some time and has almost admitted its guilt. Now the institutional judges want rather stronger evidence of the accused's change of character before allowing it another chance. The £1.6bn of cash must be spent both wisely and quickly, to give the earnings boost which the basic business managers must be given more freedom to invest in new projects. If that is too much to ask, a bid is not unthinkable. A market capitalisation of £4.5bn is not too large when a third of it is in cash. Two parts of the whole—Marconi and telecommunications—might be sold for as much as the balance of the purchase price, leaving a range of mature, cash generating businesses. Anyone bear the tinkle of broken glass?

BHP

The news that BHP's first half results showed a 31 per cent fall in net profits to A\$397m does not matter much to the share price. Indeed yesterday's fall of 6 cents to A\$3.70 is almost an over-reaction. That trading was tough between June and November for an oil, steel and minerals group is hardly surprising. Acquisitions plus the A\$1.2bn investment in Elders, can explain the 45.5 per cent jump in the aggregate of depreciation and interest charges to A\$568.9m. With BHP's legendary cash generating ability and some improvement in the oil price the second half ought to be better even if the year cannot stand up to the 1985-86 record.

More relevant to the shares are the likely moves of the two new boys on the BHP board, Mr Robert Holmes à Court and Mr John Elliott. The likelihood must now be that Mr Elliott is a seller of his 13.5 per cent BHP stake, and Mr Holmes à Court is a potential buyer, within the terms of his agreement with BHP. With his eye on Equiticorp Tasman's 5 per cent stake, and his own 23.5 per cent stake, control of BHP is within his grasp. A partial bid would not be allowed under the September peace pact, so outside shareholders can hope for a general bid, perhaps at A\$10 or more.

GEC

Since the Nimrod blow finally fell on GEC the shares have risen—and not because the failure to win the contract for the early warning system was well discounted beforehand. As recently as the interim announcement early this month, many brokers were confidently predicting a GEC win against Boeing. Yesterday the shares closed up 3p at 170p, a penny higher than on the day of the verdict.

The defence of the \$100m investment in the Boesky fund mounted so far by Guinness is unimpressive. The other members of the fund were large investment bodies, such as the Imperial pension fund, putting tiny proportions of their funds into a high risk venture. That is normal fund management. But for Guinness to say that its investment amounted to "only" 4 per cent of assets is weird. It is even odder, set against the pledge of the new management to do everything in its power to reduce the very high level of post-merger gear-

Opec poised for output deal

BY RICHARD JOHNS IN GENEVA

THE ORGANISATION of Petroleum Exporting Countries was on the verge of agreeing to a cut of over 7 per cent in its members output ceiling late last night in a bid to hit a fixed price target of \$18 a barrel. The new ceiling would be 15.8m barrels a day.

However, Iraq was preparing to dissociate itself from the division of production quotas accepted by the other 12 members—some of them with reservations which were not expected to be voiced in the final communiqué.

Iran was believed finally to have dropped its demand for a strong condemnation of Iraq, which refused to agree to any quota unless it was equal to Iran's.

Iran had insisted that any production sharing system should be based on a quota. In the event, Iran concluded that agreement on a 15.8m b/d ceiling and a fixed price system was more important than obtaining from other members the severe reprimand of its enemy in the Gulf conflict, now well into its seventh year.

Venezuela evidently had also concluded that raising prices and reassuring the market was more important than securing a minimum share for itself of 9.72 per cent of the total—a principle of great importance to President Jaime Lusinchi's administration in Caracas.

At the same time, Opec agreed on preliminary price differentials for about 30 crude varieties produced by member states, based on an average for a "basket" of seven light oils.

Many of those involved in the exercise were very much less than satisfied with the results achieved and acknowledged that the system might have to be modified.

Formally, the price structure will probably come into force from the beginning of 1987. In practice, members appreciate that it could take much longer, not least because the method of calculating differentials will have to be refined.

Iraq's opting out of the agreement was a foregone conclusion. But Mr Oassim Taki, Iraqi Minister of Oil, said earlier this week that his country

would co-operate in maintaining price levels at the \$18 per barrel level originally demanded by King Fahd of Saudi Arabia and sought by the majority within Opec.

Saudi efforts to persuade Iraq to agree to a quota—supplemented, if necessary, by an increase in the crude produced by the Kingdom of Kuwait on its behalf, failed.

Riyadh was embarrassed by its inability to influence Iraq, which it has succeeded financially.

It was agreed that the spread of price differentials between the lightest North African crudes and the heavy Gulf varieties should be \$2.65 per barrel.

The industry and traders have been sceptical about any Opec effort to restore a fixed price system in present market conditions.

Quite apart from the problem of Iraq, which is clearly determined to export as much oil as it can, there are great doubts about the commitment of some of the members to observe their quotas, not least the United Arab Emirates.

Miles of tinsel

Continued from Page 1

Business seems particularly good in Northern Ireland, where favourable exchange rates and lower value-added tax than in the republic have led to queues of jewellery buyers from south of the border.

On the other hand, the high-ticket jewellery shops which line London's Hatton Garden seemed beleaguered. There were relatively few shoppers available to take advantage of discounts of up to 60 per cent.

Boots, the national chemists chain, which also reported a

slow start to the rush and earlier in the week, declared itself only "quite pleased so far". In practice, members appreciate that it could take much longer, not least because the method of calculating differentials will have to be refined.

Iraq's opting out of the agreement was a foregone conclusion. But Mr Oassim Taki, Iraqi Minister of Oil, said earlier this week that his country

ing next Monday and Tuesday. At Chamberlaine Cycles in Kenilworth, north London, one of Raleigh's biggest distributors in the capital, Mr Stan Chamberlaine reports resistance at all levels. "This Christmas is no better than last... and that was not so good."

And while the multiples talk with redb of dwindling stocks of teddy bears, Mr Chamberlaine reports the closure of his toy department. "Everyone's going to the discount houses. We closed it because they can sell cheaper than we can buy."

Arts grants

Continued from Page 1

increase—below the expected inflation rate. The largest single recipient of Arts Council support, the Royal Opera House, Covent Garden, which this year received £13m, is still in negotiation with the council. There were rumours that it would receive no subsidy at all. In fact, it will be given a substantial sum but, at best, it is likely to be a standstill on the current year and to be linked to the Royal Opera House's investigation of its finances which is aimed at producing a long-term resolution to its recurring financial problems.

"Next year will be an extremely difficult one for everyone in the arts," Mr Luke Rittner, secretary general of the Arts Council, said yesterday. "The council is keeping to its policy of helping the regions at the expense of the national companies—the 12 regional arts associations are all receiving 3.5 per cent more."

Mr Rittner said the council's decisions on the National Theatre and the RSC were based on the recommendations of its drama panel. He believed large companies were in a better position to make savings than the smaller arts organisations, which will be hearing of their 1987-88 grants in January. They will be treated on an individual basis.

The RSC is running a mount-

ing deficit, mainly because of a sharp fall in summer audiences at the Barbican, from an average of 30 per cent capacity in 1985 to just over 60 per cent this year. It faces the choice of closing one of its five theatre or cutting back on new productions. The National is also likely to delay its more risky new productions.

The RSC said yesterday the freezing of its grant was "unexpectedly bad news." It represented a further erosion of the real value of the subsidy base "carefully and objectively established by the Government's Priestly Report in 1983."

"The RSC is well aware of the Arts Council's funding problems and is sympathetic but slow strangulation of Britain's national assets is not a sensible policy."

Sir Peter Hall said he was shocked. "To be given the same as last year without any increase in inflation amounts to a severe cut."

In the past UK arts companies have complained about inadequate funding but have managed to get by. In 1987 there could well be some well-publicised bankruptcies. The Arts Council would perhaps not be too disturbed if its constant warnings of Government under-funding of the arts finally proved to have substance.

Continued from Page 1 Sakharov

sults," he said in 1978. Two years later he was exiled to Gorki, which foreigners are forbidden to visit.

Although Dr Sakharov will return to Moscow, this does not mean he will be allowed to leave the Soviet Union. Mr Gorbachev said earlier this year that he could not go abroad because he knew state secrets.

Lionel Barber writes from Washington: Mr Larry Speakes, White House spokesman, said: "We welcome this as a personal victory of courage for the principles of human rights."

Mr Speakes warned that abuses of human rights in the Soviet Union continued and said there were countless others imprisoned for no reason other than their desire to express their views. He called on the Soviet Union to halt human rights abuses.

Our Foreign Staff writes: Sir Geoffrey Howe, the Foreign Secretary, said the news would be warmly welcomed everywhere. "This long-delayed reaction to the weight of world opinion is something for which the British Government has been pressing for many years."

CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)

RISES		FALLS	
Brit Benzol	72 + 8	ERF	58 - 5
Brit Car Auction	173 + 7	Lloyds Bank	437 - 10
Bullough	345 + 10	McCarthy & Stone	285 - 15
Dawson Intl	248 1/2 + 10 1/2	RHM	279 - 4
General Accident	787 + 12	Rush & Tompkins	238 - 15
Imp Cont Gas	594 + 3	Stiebe	736 - 57
McCarthy	350 + 12	Trusthouse Forte	166 - 4
Pearson	567 + 7 1/2		
Tip Top	151 + 3		

WORLDWIDE WEATHER

UK today: Cold and windy, with showers falling as snow on hills. Outlook: Cold with some snow.

Y'day		Y'day		Y'day		Y'day		Y'day	
midday		midday		midday		midday		midday	
°C		°C		°C		°C		°C	
Alicante	C 21	Dallas	F 4	Madrid	S 19	Paris	S 11	Rome	S 16
Algiers	S 21	Frankfurt	F 4	Barcelona	S 18	London	F 11	Stockholm	S 10
Amsterdam	S 21	Geneva	F 4	Brussels	S 18	Oslo	F 11	Warsaw	S 10
Antwerp	S 21	Lisbon	F 4	Copenhagen	S 18	Stockholm	F 11	Zurich	S 10
Birmingham	S 21	Madrid	F 4	Helsinki	S 18	Vienna	F 11		
Bombay	S 21	Prague	F 4	London	S 18	Brussels	F 11		
Boston	S 21	Rome	F 4	Stockholm	S 18	Paris	F 11		
Buenos Aires	S 21	Stockholm	F 4	Warsaw	S 18	Zurich	F 11		
Calcutta	S 21	Vienna	F 4	Zurich	S 18				
Cardiff	S 21	Zurich	F 4						
Chicago	S 21								
Copenhagen	S 21								
Dublin	S 21								
Edinburgh	S 21								
Helsinki	S 21								
London	S 21								
Luxembourg	S 21								
Madrid	S 21								
Manchester	S 21								
Paris	S 21								
Rome	S 21								
Stockholm	S 21								
Warsaw	S 21								
Zurich	S 21								

C-Cloudy, O-Drizzle, F-Fair, FG-Fog, H-Hail, R-Rain, S-Sunny, SI-Sleet, T-Thunder, + Noon GMT

Graff
Unmistakably

With love this Christmas

SAV I LOVE YOU THIS CHRISTMAS WITH A GIFT FROM GRAFF

FROM THE MOST FABULOUS COLLECTION OF JEWELS IN THE WORLD

55 BROMPTON ROAD, KNIGHTSBRIDGE, LONDON SW3

TELEPHONE 01-584 8571

السنة الجديدة

WEEKEND FT

Saturday December 20 1986

MARKETS • FINANCE & THE FAMILY • PROPERTY • TRAVEL • MOTORING • DIVERSIONS • HOW TO SPEND IT • BOOKS • ARTS • TV

Velki to our festivities

"Slaka can truly offer you a different kind of Xmas." Malcolm Bradbury, novelist and university don, has just received an invitation to visit his favourite East European country.



THROUGHOUT the modernised West of today, many people of the very highest critical faculties have begun to feel a progressive dismay at the very prospectus of the annual Christmas festivities.

as women's, those unfitting neckties and perturbed underwearings, microdot ovals and impersonal computers—are carried home to put under the adorned tree and stimulate consumerist anticipation.

ing out toward you, in expectation of your approaches!! Why not make it then Slaka this Christmas? Our country is only a four-hour flight away from you, especially if you come in a plane!

no tattles whinging carols at your doorstep in exchange for some sweetened fervours! Our young people only like to sing at you for free, and a message of peace and disarmament is sufficient reward indeed!



times a day, and our comforting stewardesses like to make you many special duty-free offers this season. They will come down your isles offering from their trolleys at fantastical prices the very best of our Slakan delicacies, from the famous beetroot to the incomparable brown shoes.

The fact is that in the progressive light of history Slakans care no more for religious observations, and in Slaka we can promise you a perfect non-Christmas! Yet do not think because we have done with the gross superstitions of the past we do not have a festivating season. In fact we have a big one. Slakans are a festive people, and nothing delights us more than to take a holiday from our heroic labours to celebrate the great events of our history.

Holiday (February 1), we like to build, as we say, a little bridge. This is the high point of our relaxations, and if you come over this time you will find your festive dairy quite full.

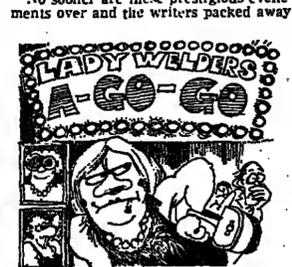
No sooner is the yozhurt master of the year thrown into the midden and sanctified, the spoons licked clean and the bagpipes cooked and eaten than it is time to sally forth yet again. This time it is to the magical capital city of Slaka itself, city of arts and gypsy music, at the international crossroads, with its fine sepulchres and its restorates of baroque accretion.

But do not get too involved! Already it is time to tear yourself free of these embraces and take train to the next notable event of our festivating calendar. For under the auspices of our excellent Writers' Union is held between December 2-10 the great Congress of Peace, Amity and Comradery in a fine resort in the Vronopion mountains, beside beautiful "Lake People's Army," where the facilities for congress are excellent.



responsibilities, pass many resolutions in favour of peace, and listen to our leading Slakan authors as they read from their newest works, such as P. Botić's brilliant Bestimim ("The Steelworks") or Katya Princip's yet more daring Suvo Tractim ("Follow the Tractors").

provided at the congress, right into your ear, and you will be able to enjoy almost to the full the pleasures of our world-class authors. Great writers from Britain, such as the best-seller R. Spatz and the universally read L. Millichep, attend regularly. The congress culminates in the award of the world-renowned "Buka Prize for Fiction," awarded to the best novel of the year about India written from a radical perspective.



in their busses than a galaxy of choicest falls on the befuddled visitant. How to choose? There is the "Watercress Festival" in Pritrip, the "Tortoise Basking Festival" in Flub, and the "Z. Leblat Musicology Festi," held on a hillside near Nogod, the highest point of anyone's musical dairy.

But perhaps you like to avoid an official program, and go footloose and fancy free? This too is availed under the generous arrangements of Cosmopolit, who will delight themselves to invent you a personal programme and then will watch over you to make sure you enjoy it. For winter in Slaka is also sport-time, when all the winter sports are availed.

Continued on Page XIV



ubiquitous "office-partyii" to lascivate after the maidenhoods of the secretarial proletariat, even while one eye is kept on hopes of the "very big bang."

You have not heard of Slaka? Please!!! Slaka is quite simply the duel to the crown of the Eastern European progressive, peace-loving socialist states, at the international crossroads, where East meets West and both are confused.

The Long View

No need to mourn the Nimrod

FIRST ONE of those conversations that stick in the mind for ever, I was at a lunch, where I found myself sitting next to a development engineer from a big company. We started talking about what might have been the only subject that interested both of us: a high fidelity radio.

Whatever the rights and wrongs of the affair, the fallback argument of partisans who claim cancellation will hurt British 'defence capability' is upside down, says Anthony Harris.



VC-10 was the only jet airliner in the world that could take off with a full load from Addis Ababa. By the time it was in service, Addis Ababa had lengthened its runway to cater for the 707. The VC 10 had the best airfield performance and the worst economics in the business.

It is not, however, worth spending huge sums to provide competition in a terribly restricted and specialist markets like that for AWACS; there are times when it is wiser to be rooked with your eyes open.

"A lovely toy," he said. "I'd enjoy doing that sort of thing, but we spend all our time on defence work." I can't remember when we had our conversation, but I do know that the defence programme in question started in 1959 and is still "under development."

especially, seems obsessed with re-inventing the wheel. The most scandalous example, perhaps, is in the civil field: the VC-10 airliner. Before this was built, Boeing was having trouble meeting orders for its 707 and offered Vickers as it then was, a licence to build and sell the plane for the Commonwealth and European markets.

Vickers wanted the job, but it also needed BOAC orders. The Minister of the day, Julian Amery, decided that we must have a specifically British entrant. Vickers might still have designed a good one, but there was a further idiotic demand: BOAC wanted a special design for its African routes.

The point of the story is again obvious, and again it is not a comment on one company or one product. The British government in its time has commissioned a whole series of aircraft that nobody else wants.

These, rather than the accident-prone Comet or the Concorde, caught by the oil crisis, are the real horror stories to be filed along with AGR nuclear power stations, and other disasters.

The arguments trotted out on the other side are mostly pious. Our best men would emigrate, they say. Would they? Is our own defence industry manned by frustrated Japanese and Swiss geniuses? And even if it were, can we afford what is, on this argument, simply costly out-relief for the brainy?

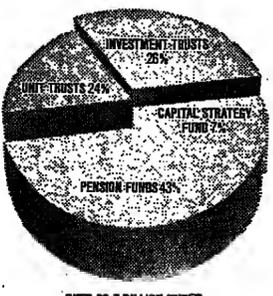
Then, there is the argument that the Government can't help getting involved because, without Government orders, no research and development would be done. If this is true, it is an indictment of British management. But if they need some extra encouragement, a simple tax subsidy, as practised in many other countries, would be far less costly.

So, the Nimrod fiasco is nothing to mourn; "defence capability" hampers the countries that possess it, as the growth records show, and it is easy to see why. If the right conclusions are drawn, the fiasco could easily be the best news this Christmas.

CONTENTS
Arts: Records of the Year XIII
Books: Ian Paisley the politician XII
Diversions: Last-minute Christmas shopping XI
Finance: A guide to PEP plans IV
Sport: The Black Explosion misfires XIV
Travel: Sun and fun in Mauritius VII
Books: VII Gardening X London II
Bridge: VII How To Spend It XI New York III
Chess: VII Motoring VII Hong Kong III
Crossword: VII Property VII Travel VII
Diversions: VII Sport XIV Wine X
Finance & Family: VII Stock Markets XII Food XI

CONSISTENT INVESTMENT PERFORMANCE

Investors entrust their money to Gartmore because... We are independent. There are no conflicting considerations which interfere with our ability to make each investment decision impartially—we consider only the intrinsic merits of the proposition.



Gartmore GARTMORE INVESTMENT MANAGEMENT LIMITED

MARKETS

Froth goes off Guinness

THIS IS a vile time of the year in the City of London. The pubs are full of rowdy people squinting unbecomingly at each other out of aerosol cans. Buying a postage stamp has become a major exercise. And the streets continue to ring with the heavy boots of the Department of Trade's inspectors, hot on the trail of insider dealers.

way, into the affairs of Guinness. But this week brought yet another damaging disclosure about the company. Back in May, it seems that Guinness decided to plunge (invest is much too respectable a word) \$100m into a limited partnership formed by none other than Ivan Boesky, the disgraced New York share dealer.

London

earlier. Boesky was an important shareholder in Distillers, and supported the botched takeover of Guinness bid.

Guinness could not have known when it handed over the cash that Boesky was what he is. Yet, no one ever thought that he was anything but a speculator engaged in highly risky equity transactions. So what on earth could the company have been thinking of?

planned approach to the very demanding job in hand. How does this square with the view, expressed by a spokesman this week, that putting a large sum of money with Boesky had seemed "almost like putting money in the bank"?

The stock of goodwill which Guinness management deservedly built up in the past few years must surely be running low. The shares, which had been rallying a little ahead of the news, immediately fell back close to their low for the year.

But enough of such matters. The millions of share holders in British Gas have had a good week. There has been another enormous turnover in the shares, with some short-termers obviously deciding to take profits after receiving their allotment letters in the middle of the week. But the price has held up well and there have been reports of big buying orders from the US and Japan.

However, this does not mean that small shareholders can afford to sit back and forget all about their new purchase; they need to make up their minds whether or not they are in there for the long term.

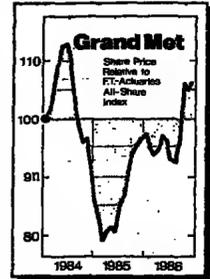
TSB. The partly paid shares opened at just over 100p. But this week they have been limping down to new lows of under 75p, even though the market as a whole has been holding steady for most of the time.

British Telecom. Wellcome and Abbey Life were all driven well above what turned out to be sensible values, and then gasped back for a few months. British Gas is not too vulnerable, since the original issue was not outrageously underpriced. And it has been helped by external factors, like a firmer oil price.

Much the most interesting set of company results this week came from Grand Metropolitan, and they were rather good. Profits for the year were up by 11 per cent to £386m.

Take-over speculation has had a lot to do with the strength of the Grand Met share price since the late summer, but a recent Juno sized circular from broker Wood Mackenzie argued that the shares were

worth buying on their own merits. It projected strong internal profit growth for several years ahead, and suggested that recent senior management changes—specifically,



the appointment of a new chief executive would lead to an improved perception of the company.

On the takeover front, Enterprise Oil has come up with an ingenious deal whereby it will acquire ICI's oil and gas interests in return for issuing new shares which will give ICI a 25 per cent share in the enlarged equity. The deal has favourable

implications for Enterprise's earnings and dividend—which had been looking rather vulnerable—and it will make the company a very much more important player in the North Sea league.

It will also dilute the interest of another big—and potentially less friendly—shareholder, Lasso, and so perhaps give management further room for manoeuvre.

Enterprise's shares have been showing a great deal of strength since the summer and jumped up smartly on this week's news. According to Smith New Court Research, they are now fairly valued and likely to perform in line with what would be a rather buoyant oil sector.

The London markets are starting to turn out their lights for Christmas. The year is ending on a steady note, with the All-Share Index still a little short of the high point reached last spring. Profits and dividends are moving ahead so that, on some estimates, the market as a whole is selling at about 12 times next year's earnings.

The gilt-edged market is still dull end interest rates have not moved anywhere in the recent past. But this week's borrowing figures showed that the Government is not going to have to work hard to meet its funding requirements over the rest of the financial year, and that the Chancellor might not have to be too imprudent if he wants to come up with an election-type budget in the spring.

Richard Lambert

COMPANY NEWS SUMMARY

Table with columns: Company, Year to, Pre-tax profit (£000), Earnings* (pence), Dividends* (pence). Lists companies like Aspinall Hedges, Broadstock Group, Capital Radio, etc.

INTERIM STATEMENTS

Table with columns: Company, Half-year, Pre-tax profit (£000), Interim dividends* (pence). Lists companies like Bristol Evening Post, British Land, Brookmount, etc.

(Figures in parentheses are for the corresponding period.) *Dividends are shown net pence per share, except where otherwise indicated. L.Loss.

SCRIP ISSUES

Bristol Evening Post—Three for one. Mountleigh Group—Five for one.

RIGHTS ISSUES

Border TV—Coming to USM via an introduction. British Land—Placing 56.2m shares at 170p. Hoskyns—Placing 9.1m shares at 125p.

TAKE-OVER BIDS AND DEALS

Table with columns: Company bid for, Value of bid per share, Price Market before bid, Price Value of bid, Bidder. Lists companies like Barrow Hepburn, Berkeley Explan, etc.

* All cash offer. ** Cash alternative. *** Partial bid. § For capital not already held. ¶ Unconditional. ** Based on 2.30 pm prices. 19/12/86. ¶¶ At suspension. §§ Shares and cash. ¶¶ Related to NAV to be determined. ¶¶ Loan stock. ¶¶ Suspended.

Gold Fields riddle

SOMEbody said to me the other day that when a company is subject to persistent takeover rumours, however vague, a bid usually emerges in due course. Even though it might not be in the form the gossips had been expecting. We were speaking about the curious events surrounding Consolidated Gold Fields.

Mining

(Minerals) holds 28 per cent of Gold Fields.

It is being generally assumed that the predator is the expanding Canadian gold company, American Barrick Resources. After all, Barrick has disclosed that it has bought a 4.9 per cent stake in Gold Fields.

That is about all, so. It is the unknown and various permutations of possible future

fruits of pest investment are expected to boost 1986-87 profits and maintain the impetus in the following year.

The group has now decided to bring forward to the late spring of next year its projected public offering of around 10 per cent of Gold Fields Mining Corporation, the US subsidiary which holds the North American gold interests.

Gold Fields denies that this has been prompted by a need to ward off predators, saying that the move has been under consideration for a long time.

Even so, the timing of the float seems to have been brought forward to much earlier than might have been expected; end it is the case that such offerings—by setting a market value on the shares of a previously unquoted subsidiary—often result in a higher share market valuation of the parent company.

That is all very well but, in the meantime, what happens to the share price of Gold Fields if



RUDOLPH AGNEW ... not amused

no bid comes along after all? Or if one is made and fails? Normally, share prices retreat in such circumstances and that could happen in this case: the price now is around 600p, having risen this year from 400p to a peak 701p.

But here comes stockbroker Credit Suisse Buckmaster and Moore with the opinion that there is little or no bid premium in the present price. It feels that the shares are still undervalued on the basis that earnings could double in the first half of the year to next June, and that assets may be worth more than £10 a share.

If, as a holder of Gold Fields, you go along with this view, you might well decide to stay on for the ride. As a non-holder, you might decide to wait for a favourable buying opportunity in the event of the bid speculation ending in ashes. It all looks to be a reasonable two-way bet, a thought that could have occurred to Barrick's Peter Munk.

The Western Australian iron ore-producing Mount Goldsworthy operation of Gold Fields (56 per cent) and Broken Hill Proprietary (44 per cent) is to have an A\$87m (£40m) facelift.

The problem of falling ore grades will be tackled by a beneficiation plant—it will convert large amounts of low grade ore into smaller amounts of higher grade material—and this should give the operation a further 15-20 years' life at a production rate of at least 4.5m tonnes a year.

The hope is that during this time the market for iron ore will improve enough to allow the partners to start mining their huge Area "C", which holds reserves of some 2.2bn tonnes of high grade iron ore. But this will require heavy financing and dependable long-term sales contracts.

After some dithering, Australia has at least decided against ending the tax-free status of the country's gold mines. The removal of this uncertainty has resulted in sizable gains in share prices this week but, of course, the company's earnings prospects remain unchanged.

Kenneth Marston

Electronics on the upturn?

THE RISE and fall of the electronics sector has been one of the longest running—and sorrier—sagas of the USM.

In the opening months of 1986, it looked as if the small software houses and hardware manufacturers which populate the USM would follow in the footsteps of their main market counterparts by making something of a recovery. That recovery was short-lived; yet many analysts are now confident that the USM electronics sector has hit its nadir and that this is the time for investors to start to rummage around for bargains.

In the USM's early days, young and entrepreneurial electronics companies looked like archetypal growth stocks. The days of coming to the market with dizzy multiples and dazzling profit growth were all too short. When the electronics

Pericom has succeeded in pushing its share price back up.

Cifer, the video terminal and microcomputer manufacturer which last week reported its return to a full year's profit, is an ideal example of a company in which "grim fundamentals" still dominate City perceptions.

When Cifer joined the USM in 1983, the electronics sector was at its most fashionable. Cifer jumped for a fashionably high prospective p/e of 28 on projected profit of £1.55m and a minimum tender price of 115p. Three months later, its shares had climbed to 189p.

Within months of the issue, however, Cifer fell victim to an unforeseen downturn in demand for microcomputers. This slump, compounded by the cost of opening a new plant in South Wales, plunged the company into losses in both 1984-85 and 1985-86.

A combination of restructuring and stringent cost-cutting—which involved closing the South Wales plant and reducing micro activity—has nursed Cifer back into profit, changing a pre-tax loss of £1.82m into a pre-tax profit of £1,300 in the year to September 30. Cifer, like so many other USM electronic stocks, has been left to bear a hefty burden of borrowings, but should muster profits of around £200,000 in the present year.

Yet, its share price is still stagnant, hovering around 16p last week. Mike Whitaker, electronics analyst at Chase Manhattan Securities, thinks that Cifer, like several other USM electronics stocks embarking upon recovery, has hit the bottom of its cycle and looks like good value.

"It takes a long time for the share prices of once-disastrous companies to recover," he says, "although many of the electronics companies have undergone restructuring, returned to profit, and begun their recovery. It takes a long time for this to show in the share price. As soon as it even starts to go up the institutions sell, so that at least they can show some return on their investment."

"Eventually, there are no more sellers left, and once the company shows profit growth the price starts to rise. With lots of these companies, that is starting to happen now."

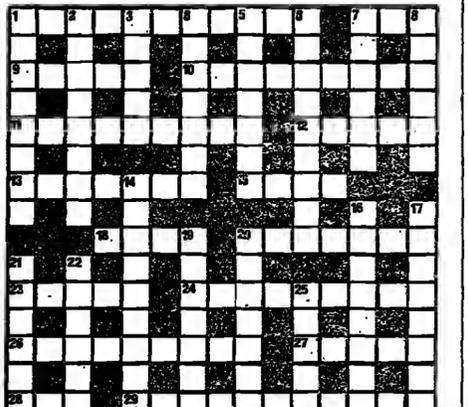
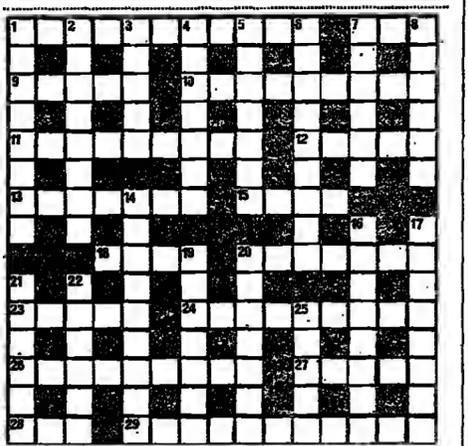
For the record, Whitaker thinks that Acorn, Godwin Warren, Intec, Norbain, Polytechnic and Rockwood are all, like Cifer, ripe for recovery.

Alice Rawsthorn

FT CHRISTMAS CROSSWORD

SET BY CINEPHILE

- ACROSS 1A See stuff, say, made for fire precautions (6,5) 2B Confront evasiveness in the bath? (4,7) 7A Vehicle in front (3) 8B (3) 9A (5) 10A (5) 10B Bad quarrel with riders (6,3) 11A (9) 11B Drink multiplied by added to painter—rose queen (9) 12A Test case (6) 13A (7) 14A (4) 15A (4) 16A Noticeable part of the ear (4) 17A (6) 20A Cause pain to right and true effect (7) 21A Take half a day in study of dramatic legwear (7) 22A (5) 23A Compare sound of fungoid growth (5) 24A (4) 25A Chief part of helmet? (9) 26A French heroine to join with Satan? (5,4) 27A (9) 28A (3) 29A A cricket match affected by rain outside, showing when it was posted (4,7) 30A Without new levy you are not having Christmas, for example (6,3) 31A (3) 32A Southern guy entertains Northern, I forgot to say with spirit (8) 33A Such as Aesop may go bust and fail (3) 34A Trifle for wild lad in wild (9) 35A Runner and unknown nurse occupy the same ground (6) 36A Nut? See if mum can produce one (5) 37A Ascetic king, just about (5) 38A Go back after being sacked for supporting logs (7) 39A First thought is funny (7) 40A Hindrance, not on the road? (7) 41A Savings as inducement to lay (7) 42A Inducement to queen after second little number (9) 43A (6,3) 44A (6) 45A Martians in a lot of traffic got thrown out (6) 46A (9) 47A Lord y could be Tyrolean (6) 48A Wrong date on tin, pronounced distinctly (9) 49A Guys' cathedral: I'm on top, very much (9) 50A (6,2) 51A (6) 52A Retreads produced with indentations (9) 53A Concern on principal? (8) 54A (7) 55A Ancient commentaries left me in awful chaos (7) 56A Call wildly around America in relation to part of sentence (7)



Solution to Puzzle No. 6297 1. STUFF 2. BATH 7. CAR 8. (3) 9. (5) 10. (5) 10. (5) 11. (9) 11. (9) 12. (6) 13. (7) 14. (4) 15. (4) 16. (4) 17. (6) 20. (7) 21. (7) 22. (5) 23. (5) 24. (4) 25. (9) 26. (5,4) 27. (9) 28. (3) 29. (3) 30. (4,7) 31. (3) 32. (3) 33. (8) 34. (5) 35. (9) 36. (6) 37. (5) 38. (5) 39. (7) 40. (7) 41. (7) 42. (9) 43. (6,3) 44. (6) 45. (9) 46. (6) 47. (6) 48. (6) 49. (9) 50. (6,2) 51. (6) 52. (9) 53. (9) 54. (7) 55. (7) 56. (7)

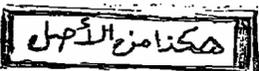
HIGHLIGHTS OF THE WEEK

Table with columns: Index, Price 'day, Change on week, 1986 high, 1986 low. Lists indices like FT Ordinary Index, Benchmark, Bullough, etc.

FINANCIAL TIMES SURVEY

The Financial Times proposes to publish a Private Health Care Survey on January 21 1987

- The following subjects will be covered: 1. Introduction 2. Investment into New Hospitals 3. Cost Containment 4. NHS/Private Sector Links 5. The Provident Associations 6. Occupational Health 7. The Aged 8. The Voluntary Sector 9. Specialist Treatment 10. International Medical Treatments 11. Party Attitudes 12. The US

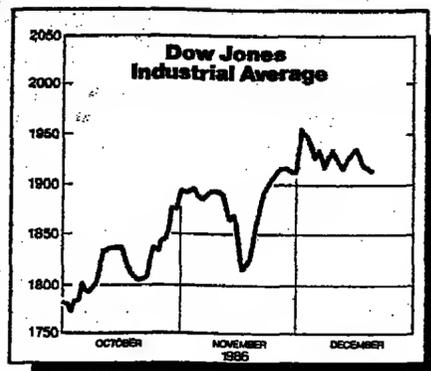


المال والبنك

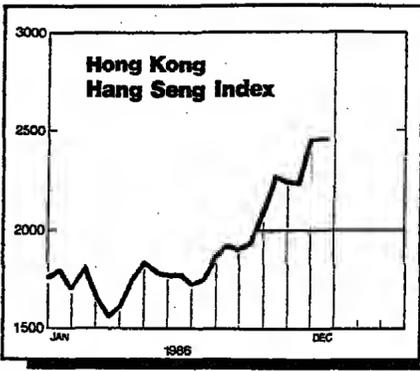
MARKETS

AT&T's wrong number

There is nothing like a dose of bad news to keep up the spirits of a determined bull market. The fact that Wall Street managed to confine its fall, as measured by the Dow Jones Industrial Average, to a mere 5.49 points on Thursday...



CHRISTMAS arrived early for the Hong Kong stock market this year. The flow of foreign institutional money into the territory began reflecting festive spending patterns during the summer holidays...



Steady ascent is set to continue

US dollar to which the Hong Kong currency is pegged. Prospects for next year look good, with the Chamber of Commerce projecting GDP growth of at least 6 per cent.

Wall Street

linked as the news of the massive write-off came across the tickers on Thursday morning. Apart from the telephone and electronics specialists, the traders seemed far more interested in the approach of the next 'triple witching hour' on the Friday afternoon.

When sugar turns sour

Faraday Bromfield, an analyst at E. D. and F. Man, accepts this point in principle but feels that the lack of alternative crops and the desperate need for protection afforded to maize sweeteners by the high sugar price...

Commodities

foreign exchange mean that any substantial cutbacks will be delayed until rising indebtedness makes them unavoidable. She views the US sugar regime as a short-sighted policy.

Hong Kong

markets has a disproportionate impact in Hong Kong. Rumours of major restructurings and acquisitions by blue-chip concerns have kept the market expectant for long periods...

Weekend Business

INVESTOR REQUIRED OFFSHORE CONSULTING AND MANAGEMENT. A backer is required for the establishment of an Offshore Consulting, Administration and Management Group...

HEALING WITH A DIFFERENCE REJUVENATION/HEALING SPA, USA. A new concept in the healing arts. Rejuvenation, Stress Relief through contact healing - music therapy - holistic focalis - select product lines - luxury & relaxation.

Businesses For Sale, Businesses Wanted. IRELAND HOTEL INTERESTS FOR SALE. WANTED MANUFACTURER OF REPRODUCTION FURNITURE. GUINNESS MAHON INTERNATIONAL FUND LIMITED.

WARRINGTON & RUNCORN. The Financial Times proposes to publish a survey on the above on: MONDAY 9th FEBRUARY 1987. Topics to be discussed include: OVERVIEW, COMMUNICATIONS, INWARD INVESTMENT, US INVESTMENT, COMMERCIAL AND INDUSTRIAL PROPERTY, SCIENCE PARK, MANOR PARK, NUCLEAR INDUSTRY, MANUFACTURING INDUSTRY, BREWING INDUSTRY, RETAILING.

Practical, luxurious and yours - exclusively from the Financial Times. Designed for us by Karl Seeger this magnificent set includes a Suitcase in a choice of two sizes, a Travel Bag with countless useful pockets and lockable zippers, and a Flight Case that can actually take minutes off your journey...

FINANCE & THE FAMILY

As the starting date for PEP approaches, John Edwards offers advice and warning to prospective investors

Tax saving is not always the best reason...

THE CHOICE is yours. The starting date for the Government-sponsored Personal Equity Plan (PEP) project, offering tax concessions to encourage wider share ownership, is fast approaching. From January 1, anyone over 18 will be able to invest up to £2,400 a year in a PEP scheme and pay no tax on the dividends, interest or capital growth provided no withdrawals are made before January 1989.

By delaying, though, you might lose the advantage of taking part as soon as possible in what will be the most tax-efficient way of investing in shares, albeit to a limited degree. "Tax free" obviously has a universal appeal to Britain's under-pressed workers. But a word of warning: saving tax is not necessarily a sound reason for investment. The prime decision has to be whether you have the desire, or resources, to invest in the UK stock market. Share values do go up and down so there is a fair element of risk—bearing in mind that, after its spectacular rise for more than 10 years, many pundits are saying a setback on the London stock exchange is long overdue.

Something into a tax-free vehicle; but you should remember that just as you will not be liable to capital gains tax, you will also not be able to use any losses to offset CGT. If you are contemplating buying unit trusts, or are already a holder, it seems contrary not to use a PEP scheme, since the tax relief means that dividends and interest received can be reinvested gross instead of net. This should boost the performance of the fund considerably. The disadvantage of a PEP entry into unit trusts is the limited amount and the lack of flexibility, with no withdrawal possible until the plan "matures".

With such a wide variety of schemes on offer, deciding on which to favour is difficult. Initial costs and annual charges are on consideration. Some schemes are so expensive to enter that it will take many years before the tax "savings" are recouped, and many have hidden charges such as fees to cover extra administrative costs. These are considerable for the plan manager, who not only has to reclaim the tax on your behalf but also must virtually act as your stockbroker and ensure you receive a copy of the annual report and accounts of any company in which you have invested. In many cases PEP will be used as a loss leader to sell you other services.

To cope with the heavy costs involved, most plan managers are insisting on either partial or complete discretion in investment decisions on your behalf once you have made the initial choice; and quite a number of restrictions, especially on the minimum amount that can be contributed, have also been built in. You have to bear all these factors in mind when making up your mind which scheme to go for. It is possible to compare charges. But it is more difficult to assess the investment track record of each company and the flexibility of choice offered. Good past performance in unit trusts might not necessarily mean the group is geared up to make a success of investing in a limited number of shares in very modest amounts.

One concession wrung out of the Chancellor was that up to £240 a year, or a quarter of the total investment (£600 if the maximum of £2,400 is invested), can be put into unit or investment trusts. It was claimed that the small investor needed the spread of shares provided by trusts to avoid undue risk. Most of the plan managers, especially the unit trust groups, have made this concession a cornerstone of their schemes. In virtually all cases, investments of up to £420 (£35 a month) will go straight into a trust. Some groups specify one or two particular trusts, while others offer a much wider range. One anomaly is that although the whole PEP concept is supposed to encourage investment in UK shares only, you are allowed to invest in a portfolio of around 20 shares. The Prudential also managed to come out with something different this week. It is making no initial entry charges for its two PEP schemes—Equiplan and Multiplan—which invest in a portfolio of around 20 shares. The Equiplan is for lump sum

investments in multiples of £600 (£1,200, £1,800 and £2,400). The Multiplan is for monthly sums to reach the same figures by the end of the year; but since it is on offer until March 31, the payments are spread over eight instead of 12 months and, therefore, the minimum payment is £78. Of course, it is not entirely free. The Pru is making an annual management charge of 2 per cent based on the value of the portfolio on December 31 each year, but this will not be deducted until the plan "matures" at the end of 1988. You are also liable for share dealing costs; but the Pru reckons that because of its position as one of the most important institutional investors on the London stock market, these will be kept to the bare minimum. The Pru has deliberately imposed fairly strict limits on the amount you can invest, but it claims that the spread of shares offered is more extensive and will help to reduce the potential risk. Unlike other managers, it is not revealing which companies will be chosen for investment, on the ground that

prior knowledge would tend to push up the price. Other plan managers have adopted a different philosophy, offering a more limited range of shares. Schroder, for example, builds up a portfolio of shares according to the amount of money invested. Generally, however, because of the costs involved, most managers are restricting choice and insisting on a minimum investment from £200 a year upwards. The clearing banks evidently see PEP as an opportunity to expand their investment client base since they are ideally placed to handle relatively small sums of money for a large amount of people. Unit trust groups also see PEP as a way of increasing their business, using the tax-free incentive. Since they are charging normal dealing rates, they are able to pay commission to brokers and intermediaries, so these plans are tending to be sold hardest. The Treasury made a tentative forecast that about 200,000 investors would take out PEP plans but, judging by the initial response, industry sources predict the figure could well be nearer 2m.

ABBEY NATIONAL Single plan, in association with Fidelity. Minimum of £35 monthly (£420 lump sum) up to £300 (£2,400). First £420 will be invested in Fidelity Growth & Income Trust. Further sums of £300 or more will go into up to six "blue chip" shares and one or two specialist companies. Unit trust allocation will always equal at least 25 per cent of total investment. Initial charge of 5 per cent, rebated for the proportion going into unit trusts. Annual management fee of 1.25 per cent of total funds in the plan. Dealing costs are up to 0.5 per cent on share transaction only, plus stamp duty.

BARCLAYS Two plans—both discretionary: Between £20-£35 monthly; Unicorn General unit trust. Normal unit trust charge, 5 per cent initial charge plus 0.75 annual management fee of trust's value. £40 monthly (£500 lump sum) and above: Mix of investments in only trusts and leading shares/capital gain or income objectives can be selected. In first year (current plan) management fee of £25 for investments up to £1,200 and £40 above. No share dealing costs, but administration fee of £4 per investment (with maximum of £16) charged. "Apply early" discounts of £20 and £30 available until January 31. Management fees cut to £15 (below £1,200) and £25 in second year of plan, plus £4 administration fee. Extra charges made for early withdrawal—before end of second year—and additional formal valuations of portfolio, also for attending and voting at company AGMs.

BRADFORD & BINGLEY Two schemes, in conjunction with stockbrokers James Capel. Regular savings—minimum of £50 monthly, and lump sum of £600 minimum. No unit trust content; all money will be invested in up to 10 Alpha shares. Initial charge 5 per cent, inclusive of everything including dealing costs, reducing to 1.5 per cent in subsequent years. CHARTERHOUSE (Royal Bank of Scotland) Three plans. Contributions (monthly, quarterly, half-yearly or annually) of over £420 either into PEP 1 investing in "blue chip" shares, or PEP 2 in medium-sized growth companies. Shares selected by company. PEP 3 plan is for monthly payments of £35 only to go into unit trusts—selected by company probably from new range to be launched in first quarter of 1987. Initial charge will be only three per cent, instead of normal five per cent, plus one per cent annual charge. Charges for contributions between £421 and £1,200 annually are £23 in first year and 1.5 per cent of portfolio value in second year. Over £1,200 charge is £33, and 1.25 per cent in second year. Early withdrawal fee of £25.

FIDELITY Two plans—both discretionary. £35 a month (£420 lump sum) Growth and Income unit trust only. Five per cent initial charge plus 1.25 annual management fees. £75 monthly (£1,000) and above. 25 per cent put into unit trust, remaining 75 per cent in five to eight "blue chip" or specialist growth companies. Same charges as for unit trust plan. FRAMLINGTON Lump sum of £420 only into special PEP 87 unit trust to be launched on January 24. Standard unit trusts charges. Separate PEP fund to be launched each year. Features include annual general meeting for holders and referendum on takeovers etc. Investments only in UK quoted shares, including up to 25 per cent in USAI stocks.

F. S. INVESTMENT Lump sum of £2,400 only. £300 invested in Balanced Growth Fund, 5 per cent held in cash paying interest, remainder in portfolio of five to 10 UK shares, 5 per cent initial charge, plus annual fee of 2.4 per cent and dealing costs. £50 for early withdrawal. HILL SAMUEL Three plans—all discretionary. £35 monthly (£420 lump sum) in managed unit trust fund. Above £50 monthly (£500 lump sum) British Industry fund—mainly blue-chip companies plus unit or investment trusts. Lump sum of £2,400 only. Aggressive Growth Fund for special opportunities, also unit and investment trusts. Initial charge of 5 per cent, plus 1.25 per cent annual management fee, payable on all three plans. No dealing costs, but stamp duty payable. £25 early withdrawal fee. HOARE GOVETT Minimum £75 monthly (£900 lump sum)—discretionary. First 25 per cent or £420, whichever is greater, will go into unit or investment trusts, rest in capital growth shares. Initial charge of £25; management fee of 1 per cent on year-end value, and £1 per share transaction. Entry charge will drop to £15 in subsequent years.

MIDLAND BANK Two plans. Managed has minimum of £20 monthly (£200 lump sum). Up to £420 or 25 per cent of total investment, whichever is greater, will go into income unit trust. Balance into range of shares selected by bank. Charge of 1 per cent, with annual minimum fee of £15, will be made on value of shares held. Unit trusts will be bought at normal rate with no annual fee added. Additional charges are 2.5 per cent on value of funds withdrawn early, £10 for portfolio in excess of two years, £10 for arranging attendance at company meetings and accepting voting instructions. Bespoke plan is aimed primarily at existing customers of bank's investment services. Individual investor decides whether plan is run on advisory or discretionary basis. Annual charge 1 per cent of value. MIM BRITANNIA Three plans. £25 to £35 monthly (or £420) in unit trust plan with choice of five unit trusts, £1,000 to £2,400 lump sum plan gives choice of two discretionary portfolios—Blue Chip with 25 per cent in unit trust and 75 per cent in leading shares; Special Situations with 25 per cent in specialist unit trusts and 75 per cent in UK special situations shares. £50 to £200 monthly goes into Savings Plan with choice of Blue Chip or Special Situations portfolios. Initial charge of 5 per cent, and an annual fee of 1.5 per cent, on share investments. Normal rate on unit trust investments.

M & G One plan only. £35 monthly (£420 lump sum) in any one of the group's unit trusts. Normal unit trust charges. NATWEST Three plans. Spreadplan—£20 to £35 monthly (£420 lump sum) into unit trust. Managed—Above £36 monthly (£450 lump sum) into three shares selected by bank. Shareplan—£1,200 lump sum minimum. List of 30 shares provided by bank, but you can choose at outside list at extra cost. You pay normal unit trust charges for Spreadplan, 2 per cent annual charge, collected half yearly, for managed plan, plus share dealing costs. Shareplan has initial

charge of £25. Additional fee of £10 if you choose share outside list, plus share dealing costs. £25 charge for early withdrawals. PRUDENTIAL Three plans—all discretionary. Uniplan (lump sum of £420 only) all invested in one of Holborn unit trusts. Equiplan (lump sums of £600, £1,200, £1,800 or £2,400). One sixth will go into a "Holborn" unit, remainder into portfolio of 20 selected shares. Multiplan (lump sum of £2,400 only) will be invested in similar way. But Single share (lump sum of £2,400 only) will have list of 20 more selected shares from which you can choose one. Deposit scheme (£2,400 only) simply earns tax free interest at high rate but can only be held in this way for first year and must be invested during second year to qualify for tax concessions. CHARLES STANLEY Two plans in association with Fidelity. £35 monthly (lump sum £420) in Fidelity Growth & Income Trst. £75 monthly (lump sum £1,000) and above invested 25 per cent in unit trust, rest in five to eight "blue chip" shares selected by Charles Stanley. Initial charge of 5 per cent, plus annual 1.25 per cent fee and share dealing costs. YORKSHIRE BANK Two plans. Managed—£20 to £35 monthly (lump sums £240 to £420) invested in Save & Prosper. High Returns unit trust. Over £40 in small range of shares, plus proportion in unit trust. Customer choice—minimum £200 lump sum. You can choose shares in up to five of 30 companies from bank's selected list. No initial charge. Management fee of 0.75 per cent on value of portfolio will be levied on June 30 and December 31, with minimum of £5 on each occasion. Similar fee for early withdrawals. Reduced share dealing costs agreed with broker. Discount of 2 per cent will cut unit trust initial charge.

... but here's the PEP plan choice

Weekend Business £10 million MARINE/LEISURE DEVELOPMENT on the West Coast of Wales ABERYSTWYTH HARBOUR PROPOSALS: ★ 200 berth marina ★ 100 residential flats ★ Commercial/Leisure complex ★ Major public investment Substantial groups interested in undertaking the development should contact Richard Beale or Judith Hunt at Mid Wales Development at Ladywell House, Newlawn, Pwys 5718 JJB Tel: (0686) 29695 Telex 35387 This scheme is approved by Ceredigion Council Mid Wales Development

INTERNATIONAL BUSINESS MAGAZINE PUBLISHERS seek sell out for founders retirement Approximately £3 million for purchase of titles produced for worldwide markets. Company could be moved elsewhere and offers opportunity for considerable expansion Write Box 7072, Financial Times 10 Cannon St, London EC4P 4B7 MICROCOMPUTER BUSINESS OPPORTUNITY (£500K pa/ea) With substantial established client base and poised for expansion seeks investor and/or working director Replies to: PO Box 289, London W4 Business Services SERVICED OFFICES TUNBRIDGE WELLS HIGH STREET Newly furnished to exceptionally high standard. Secretarial services include WP, Telex and Facsimile. Telephone: Tunbridge Wells 48933 Businesses For Sale FOR SALE Financial Services and Deposit-Taking Institution With a substantial and stable high net worth individual customer base Principals only reply to: The Chairman, Box H1532, Financial Times 10 Cannon St, London EC4P 4B7 INVESTMENT STOCKMARKET PUBLICATION For sale. Sound subscriber base, good reputation. Write Box H1540 Financial Times, 10 Cannon St London EC4P 4B7 FOR SALE Profitable IBM and Compaq dealership in the Home Counties. Please respond to: Box H1544, Financial Times 10 Cannon St, London EC4P 4B7 All replies will be treated in the strictest confidence

Trust target LEADING UK insurance composite group Commercial Union is fielding late into the unit trust market. But Mike Reid, chairman of the recently formed Commercial Union Trust Managers, has publicly set his sights on being a major unit trust group within the next five years. The first step towards this very ambitious goal is the launch at the end of this month of the unit trusts—the CU UK Income Funds, two run-of-the-mill trusts together with what it claims to be the first CU Worldwide Special Situations Fund. The Worldwide Special Situations and the UK & General Trust will have a large overseas content. CU making use of its extensive international network. CU, as an international general insurance company, has investment expertise in all the 70 countries in which it operates and this includes equity as well as bond investment. CU has, in recent years, come under very heavy criticism for its general insurance operations, but throughout no-one queried the investment side of its operations. CU intends a heavy promotional campaign in the market its unit trusts, relying for its investment credentials on the performance of its unit-linked and managed funds. These have been impressive. Its Prime Life Equity Fund showing an annual growth rate of 39.2 per cent since launch four years ago against 17.3 per cent in the FT-Actuaries All-Share Index. It intends to be in the top quarter consistently for its unit trust performance. Eric Short SOLUTION AND WINNERS OF PUZZLE No. 6392

Fund Management Devon Enterprise Fund As part of its effort to encourage the growth of the new industry within the County and attract inward investment, Devon County Council is establishing a Venture Capital Fund on wholly commercial criteria. The fund will be administered by a limited company wholly owned by Devon County Council. It is intended that a specialist administrator be appointed to assist the Company in the selection and monitoring of investments. If you are a Fund Manager with experience in evaluating and managing investment in the £50,000 to £250,000 range with raising capital from institutional investors then we would like to hear from you. For an information package and an opportunity to offer your services telephone: 0392 272189, or write to: A.F. Smy, Director of Property, Devon County Council, County Hall, Topsham Road, Exeter EX2 4QQ. DEVON COUNTY COUNCIL

INTEREST RATES: WHAT YOU SHOULD GET FOR YOUR MONEY

Quoted rate %	Compounded return for taxpayers at			Frequency of payment	Tax (see notes)	Amount invested £	Withdrawals (days)
	29%	45%	60%				
CLEARING BANK*							
Deposit account	5.00	5.12	3.96	2.88	monthly	1	—
High interest cheque	7.70	7.93	6.14	4.46	quarterly	1	2,500 minimum
Three-month term	7.63	7.85	6.08	4.42	quarterly	1	2,500-25,000
BUILDING SOCIETY†							
Ordinary share	6.00	6.09	4.72	3.43	half yearly	1	1,250,000
High interest access	7.75	7.75	6.00	4.37	yearly	1	500 minimum
High interest access	8.00	8.00	6.20	4.51	yearly	1	2,000 minimum
High interest access	8.25	8.25	6.39	4.65	yearly	1	5,000 minimum
High interest access	8.50	8.50	6.58	4.79	yearly	1	10,000 minimum
90-day	8.75	8.90	6.93	5.04	half yearly	1	100-24,999
90-day	9.00	9.20	7.13	5.18	half yearly	1	25,000 minimum
NATIONAL SAVINGS							
Investment account	11.75	8.34	6.46	4.70	yearly	2	5-100,000
Income bonds	12.25	7.27	7.18	5.22	monthly	1	2,000-100,000
32nd issue†	8.75	8.75	8.75	8.75	not applicable	3	25-5,000
Yearly plan	8.84	8.84	8.84	8.84	not applicable	3	20-200/month
General extension	8.70	8.70	8.70	8.70	quarterly	3	—
MONEY MARKET ACCOUNTS							
Money Market Trust	8.01	8.17	6.33	4.60	half yearly	1	2,500 minimum
Schroder Wagon	8.22	7.54	6.25	4.25	monthly	1	2,500 minimum
Provincial Trust	8.22	8.54	6.61	4.81	monthly	1	1,000 minimum
BRITISH GOVERNMENT STOCKS‡							
7.75pc Treasury 1985-88	10.74	8.45	7.19	6.00	half yearly	4	—
10pc Treasury 1990	11.19	8.22	6.59	5.06	half yearly	4	—
10.25pc Exchequer 1995	11.07	8.01	6.32	4.74	half yearly	4	—
3pc Treasury 1978-89	8.24	7.32	6.32	6.34	half yearly	4	—
2.5pc Exchequer 1990	8.20	7.38	6.93	6.50	half yearly	4	—
Index-linked 1990†	7.74	7.14	6.81	6.50	half yearly	24	—

* Lloyds Bank. † Halifax. ‡ Held for five years. § Source: Phillips and Drew. ¶ Assumes 4 per cent inflation rate. 1 Paid after deduction of composite rate tax, credited as net of basic rate tax. 2 Paid gross. 3 Tax free. 4 Dividends paid after deduction of basic rate tax.

PER ANNUM NET INTEREST 10 1/2% HIGH YIELD ACCOUNT ALL AMOUNTS £500 min 10 1/2% p.a. net fixed Interest may be paid annually, half-yearly, or as deposits over £5,000 monthly. One year's notice to redeem, no penalty during notice period. For full details simply send this advert with your name and address. Enquires from brokers, financial advisers, etc, welcomed. Tick your requirements BRADFORD INVESTMENTS (195) 91 Maoningham Lane, Bradford, West Yorkshire BD1 3BN Phone (0274) 727745 or Answerphone (0274) 737548 Licensed Deposit Taker Established 1973

FOR SALE Profitable IBM and Compaq dealership in the Home Counties. Please respond to: Box H1544, Financial Times 10 Cannon St, London EC4P 4B7 All replies will be treated in the strictest confidence

FINANCE & THE FAMILY

Cheque points

CREDIT cards are convenient for shopping and there is the added bonus of up to seven weeks free credit. But not all shops will accept them and some stores, such as Marks & Spencer, will take only their own in-house cards. So, unless you are prepared to take the risk of carrying large sums of cash around with you the only alternative is to pay by cheque.

Shops are happy to hand you the goods on the spot against your cheque for up to £50 supported by a guarantee card, but a problem arises when you want to buy a more expensive item. Then, the shop will not normally let you take the goods away until the cheque is cleared, which takes at least three working days.

When the goods are bulky, which produces the games applied successfully for quotation on the London stock exchange's Unlisted Securities Market (The ever-modest Pepperell claims that the association of his name—and record—with the games added a premium to the issue price).

You cannot solve the problem by issuing two or more cheques because the guarantee card is limited to a single transaction per cheque. You can, however, issue a cheque for £50 and pay the balance in cash.

Another possible solution is for the shop to arrange with its bank to have the cheque specially cleared. It is usually possible to get an answer by the following morning and banks charge around £5 for this service.

But why in this day and age, is it not possible, to telephone the bank and get an answer straight away? The reason is that though there may be funds



any time until the moment the cheque is actually paid and debited to your account. But you cannot stop a cheque which has been drawn under the cheque guarantee scheme.

You must have a good reason to stop a cheque. If the goods are damaged or not up to standard, you are quite within your rights in refusing to pay. But a cheque is a legally binding promise to pay a sum of money; and if you stop one without justification, the payee can sue you for the amount involved.

Harold Baldwin



Pepperell: hoping for a change in fortune

Tried and tested

John Edwards meets a jail term inventing nine board games.

time in prison to invent a series of nine board games based on his experiences in the City. He hopes they will help restore his fortunes. The first game, entitled 'The Bottom Line', is already selling all over the world. The second, 'Lady Luck', has just been launched.

"I had the finest research team available," Pepperell says. "Prisoners with little else to occupy their minds tried the games out. They uncovered all the faults and came back with criticism and comments. Many of them have extremely sharp minds, and they were able to give the games their undivided attention."

"Frederic from the worries of earning a living to pay for food, clothing and accommodation, I

was able to concentrate on writing a book and inventing the games. Fate had dealt me a bad hand, but I decided to use my prison sentence as a sabbatical rather than a punishment."

Following the advice of fellow inmates, Pepperell devised some basic rules for his board games. One is that each game must have a clear ending; another that all players must have a chance to win right up to the end of the game, without being eliminated; a third is that all games must play out differently.

Each of the nine games is concerned with an aspect of finance. Pepperell says he is not at his trial that the jury's eyes glazed over when the financial details were discussed; and they soon became bemused. His games, he says, are aimed at making people aware of the financial facts of life and that on occasions, they may have to deal with nasty people. During a chequered career—from rags to riches and back again—Pepperell had a wide variety of jobs ranging from chartered surveyor to owning a building

society and a secondary bank; he has plenty of experiences to draw on. The Bottom Line, for example, starts with the player deeply in debt, mirroring Pepperell's own experience when he first obtained control of London & County.

His prison record seems to have been no problem; he has made a virtue of it by being entirely open. The games, "presented" by Trevor Pepperell, state on the box that he was one of London's most successful bankers until "unusual circumstances landed

him in jail on charges of fraud." There was no problem either when the Silver Bear company which produces the games applied successfully for quotation on the London stock exchange's Unlisted Securities Market (The ever-modest Pepperell claims that the association of his name—and record—with the games added a premium to the issue price).

Pepperell still occasionally meets the odd acquaintance who says: "Hallo, Trev, last time I saw you was in the Scrubs." But nowadays he is far more concerned with publicising his games.

To help keep you entertained over Christmas Pepperell has devised for the FT a special Bottom Line quiz. He is offering de luxe versions of the Bottom Line game for the first six sets of correct answers to the questions posed. Do not send the entries to the Financial Times; post them to the Silver Bear plc, 35 Essendine Mansions, Essendine Road, London W9 2LZ.

Pepperell will occasionally meet the odd acquaintance who says: "Hallo, Trev, last time I saw you was in the Scrubs." But nowadays he is far more concerned with publicising his games.

1. On which of the above actions was Sid found guilty of insider trading: a, b, c, d, e or f. 2. For the Jackpot prize (and tie breaker), guess how many years he drew at the Old Bailey.

"DEVELOPED and perfected in jail." What better background could there be in a board game based on the City for you to play over the holiday time year?

SID has disposed of his TSB and gas shares at a profit. He is very sophisticated these days and now has a job as a cleaner in the City. Emptying a wastepaper basket in the telex room of the Guinness Corporation he finds out that there is a bid for the corporation at 100 more than the market price. The telex also states that Fruit, a subsidiary of Guinness, will be closed down as unprofitable.

them at 100 more when the bid is announced. He tips off a pal without telling him how he knows and his friend does the same and gives him a crate of champagne when he sells. Being the nifty trader he now is, Sid buys Jello shares. Jello is the sole competitor to Fruit. Its shares jump on the announcement and Sid touches again. Sid also buys shares in the company bidding for Guinness and takes in a

Skinnem Skinnem and neat profit as they rise. Stripper, specialists in junk bonds, are acting for the bidders for Guinness. Sid buys their shares as well. When their fees are announced everyone screams Skylock but our Sid sells on the rise and rakes in. Sid has a job on the side cleaning for Granville Grouper in Grosvenor Square. Sid already owns shares in Grouper's company and tells Grouper

about the telex. Grouper overbids for Guinness. Grouper shares rise and Sid sells at a winding profit. Sid starts reading the Financial Times and finds out about insider trading. He promptly sells Guinness (which has now gone through the roof) short in huge quantity right at the top. He then reports everyone concerned to the Department of Trade for insider trading and makes a killing covering his short position at the bottom

as Guinness shares collapse when the DoT inspectors walk in. Sid is now a landing cleaner (B Wings) at Wormwood Scrubs, and a regular subscriber to the FT. He has been offered a top position in the junk bonds department with Skinnem Skinnem and Stripper when he gets out.

Being unaware of insider trading rules, Sid does the following: a He buys Guinness shares the following day and sells

HOW SID MADE THE BOTTOM LINE

1. On which of the above actions was Sid found guilty of insider trading: a, b, c, d, e or f. 2. For the Jackpot prize (and tie breaker), guess how many years he drew at the Old Bailey.

1. On which of the above actions was Sid found guilty of insider trading: a, b, c, d, e or f. 2. For the Jackpot prize (and tie breaker), guess how many years he drew at the Old Bailey.

1. On which of the above actions was Sid found guilty of insider trading: a, b, c, d, e or f. 2. For the Jackpot prize (and tie breaker), guess how many years he drew at the Old Bailey.

1. On which of the above actions was Sid found guilty of insider trading: a, b, c, d, e or f. 2. For the Jackpot prize (and tie breaker), guess how many years he drew at the Old Bailey.

The Investment Trust Table

The figures in the columns below are based on information supplied by the companies named, which are members of The Association of Investment Trust Companies. The figures are unaudited.

Table with columns for 'as at close of business on Monday 15th December 1986' and 'as at 28th November 1986'. It lists various investment trusts like 'CAPITAL & INCOME', 'CAPITAL GROWTH', 'INTERNATIONAL', 'SPECIAL FEATURES', and 'SPLIT CAPITAL'. Each entry includes details like Total Net Assets, Share Price, Yield, Net Asset Value, and Geographical Spread (UK, Nth. Amer., Japan, Other). It also includes a 'NOTES TO THE TABLE' section and 'INDICES OF FIVE YEAR TOTAL RETURN'.

PICK UP A COPY FOR JUST £5.95. For a full and easy to read insight into how Investment Trusts really work send for a copy of the new edition of 'How to make IT'. This book details the diverse and exciting opportunities Investment Trusts can offer. At £5.95 it's an essential investment. Order now. (Allow 28 days for delivery.)

Tenants in common

My elder daughter separated from her husband in 1977 and obtained a divorce in 1980. She has custody of the two children. Since the separation my daughter has been living with a man with whom she appears to have good relationship although it seems unlikely that they will marry. After initial misgivings my wife and I have grown to like the man and respect him. The house in which they live was purchased two or three years ago. The price £29,000, was met by a cash payment of £11,000 from my daughter and a joint mortgage of £28,000. My daughter also paid about £3,000 for kitchen fittings. The mortgage repayments are made by the man out of his salary and, in lieu of her contribution towards these repayments, my daughter receives no house-keeping money. Both are in employment.

My daughter has told me that her solicitor has advised her that she and the man are "tenants in common." If, as I assume, the man would now be regarded as my daughter's common law husband that would be his position, upon my daughter's death, in respect of ownership and occupancy of the house and what claim, if any, would he have on her other estate (a) if she died intestate and (b) if she made a will bequeathing her interest in the house and her other estate to her children? Could he contest such a will? Would the situation be simplified if my daughter made direct contributions (say, half) towards the mortgage repayments and received a house-keeping allowance?

Provided the conveyance or transfer of the house to your daughter states expressly that the purchasers are tenants in common each of them can dispose of their own half share in the house as she or he wishes, whether by will or by deed (during lifetime). The only claim that one would have on the other's estate after death would be where the deceased had been providing for the maintenance of the survivor under the Inheritance (Provision for Family and Dependents) Act 1975. There is no such thing as a common law wife or husband in England.

Damaged by drips

I have a thatched cottage which is a listed building. Eminent trees from my neighbour's property overhang my boundary and my thatcher says that the drips from these trees, which overhang the thatch in one case, are damaging it—which is obvious in places. My thatcher says that before he repairs the thatch the cause of the problem should be removed, i.e. the overhanging branches lopped.

I asked my neighbour to lop the trees where they overhang. He refused, but asked for a thatcher's report, which I gave him. He now says that the tree overhanging the thatch is in fact protecting the thatch rather than damaging it. He also says that I may have been wrongly advised, but would be pleased to meet my thatcher. My thatcher says that he has given his opinion, in writing, and that he personally does not wish to get involved in an argument—which is understandable. I have described the problem to my district council, but it says that there is little it can do to help, but I did get a sort of half promise that it might write to my neighbour and point out that a listed building was being damaged by his trees. We left it that I would go back to them if necessary. I believe that I am entitled in law to lop the trees where they overhang my boundary, but as the trees are 60-70 ft high and the large trunk are within my boundary, your only remedy is to apply to the court for a mandatory injunction ordering the owner of the trees to lop them (or, alternatively, to permit you to enter his land in order to lop the trees). This can be done in the County Court.

Unfortunately, the only self-help which the law allows is to lop the overhang from your own side. If you cannot find the means to get to the offending branches by taking action within your boundary, your only remedy is to apply to the court for a mandatory injunction ordering the owner of the trees to lop them (or, alternatively, to permit you to enter his land in order to lop the trees). This can be done in the County Court.

Gift to mother

I am an unmarried man living with my widowed mother. I am the mortgagee of the house which is registered in my name. Should I die before my mother she will inherit the whole of my estate which will include the house. I assume that in the event the whole market value of the house as it will be at the date of my death will be assessable for inheritance tax which my mother will have to pay out of my estate. I am therefore wondering what the implications would be of amending the title deeds to show both myself and my mother as the owners although I would remain solely responsible for the mortgage. Assuming I do this, would it be possible for you to explain the inheritance tax position of the house in the event of—My dying before my mother and her obtaining sole title to the house; My mother dying and thereby full title reverting to myself;

Should I die within seven years of amending the title, what would be the implications of the "gifts within seven years of death" rule? The current market value of the house is £50,000 and for both of us it is our principal place of residence for tax purposes.

If you make a gift to your mother of half the equitable interest in the house, the value of that half share will come into computation for Inheritance Tax upon your predecease her dying within 7 years of the gift. Likewise on your mother's death (within 7 years) before you, the value of her half share will be brought into account. The impact of a death within 7 years is (in either case) lessened by tapering provisions as the end of the seven-year period approaches. On the market value which you ascribe to the property however, a half share is well within the nil rate band: indeed the whole value is within the present nil rate. Thus it will only be of relevance to adopt the course which you propose if the rest of your estate is large enough to bring the whole estate into charge.

Breaching a lease

The lease of an unfurnished flat is for a term of 21 years from September 1972, and fixes the rent for the first three years. It goes on to provide that in each subsequent three-year period, referred to as the "review period," the rent shall be as from time to time determined under the provisions of the Rent Act 1968. Since a recent amendment of the Rent Act allowing rent adjustments every two years the landlord has claimed that the phrase "from time to time" overrides the contractual three-year review period and has claimed an increase of rent a year before the expiry of the current review period. Is the claim in plain breach of the terms of the contract? We think that you are right. The express terms of the lease will prevail until 1993.

Fuel grant in danger

I commute to work each day using an express coach service. Although the exact route and time were registered with the Traffic Commissioners in February, 1986 I have been advised by the coach company that it will be cancelling the part of the service has been removed from the new timetable but the company has not submitted a variation of its registration. Is the company now risking a reduction of 20 per cent of its



fuel grant in respect of all services operated during the last three months. If the services operated during the last three months, if the service fails to run as registered? We think that your view is correct and that the company is risking a loss in qualification for fuel duty grant.

Emigrant's domicile

As a continuing reader who emigrated to Canada in January 1935, I was aware of the effect which the "deemed domicile" provisions contained within the Capital Transfer Act would have on my position until April 1935. Would you please advise me on the impact which the introduction of the Inheritance Tax will not have in my particular case? Does the "deemed domicile" provision still stand? Does the Inheritance Act contain similar provisions which would affect my position as I continue to reside here? The provisions as to deemed domicile in the Capital Transfer Tax Act 1934 remain the same for Inheritance Tax (by substitution of "Inheritance Tax" for "Capital Transfer Tax" in the 1984 Act).



No legal responsibility can be accepted by the Financial Times for the answers given in these columns. All inquiries will be answered by post as soon as possible.

Carrie Cliff reports on compensation for victims of violence

Waiting for crime to pay

FOR VICTIMS of violent crime, the announcement last month of increased government funding for the Criminal Injuries Compensation Scheme is good news for some but not so good for others. In recent years, a rapid increase in applications for compensation has led to a considerable backlog in claims lodged with the Criminal Injuries Compensation Board (CICB). During 1985-86 the CICB received almost 40,000 claims, of which only about three-quarters have been settled. The Government now intends to make £114m extra available between 1987-88 and 1989-90. For 1987-88 the increase will be £33m, 65 per cent more than previously allocated.

Much of the extra funding is for more staff and it is expected that the backlog will be reduced by about 5,000 cases a year. By 1988-90, it is planned that all standard applications will be resolved in less than a year. Applicants now caught up in the backlog should have only two more years to wait at most. However, the increase in funding has led to a further refinement in the system which could lead to some victims losing their entitlement to compensation altogether.

Compensation normally takes the form of a lump sum payment assessed on the same basis as common law damages and is meant to cover pain and distress, expenses, and loss of earnings. But there is a minimum below which claims are not approved. That was set originally at £400—or less than three weeks' average earnings. From November 7, the minimum has been increased to £550. Thus, people who might be considered borderline cases could lose out; in theory, if a claim is valued at £549, payment will not be made. There is an exception, however. Anyone injured before



November 7, but who has delayed making a claim because they did not know the full extent or results of their injury, can still qualify for the £400 minimum if they apply to the CICB before January 6. The scheme covers injuries from almost all types of violence

including arson, assault, poisoning, rape and riot, as well as those received while trying to stop someone from committing a crime, trying to catch a criminal, or helping the police to do so. The injury must be reported to the police, although the perpetrator need not have been identified. If death results, close relatives or dependants can claim. The spouse of a victim, or the parents if the person was under 18 and single, may be entitled to a "bereavement" award of £3,500. Other relatives—who, for example, could have helped towards funeral costs—may also be entitled to an award to cover reasonable expenses. Traffic accidents are not covered by the scheme; nor, obviously, are injuries which people may be deemed to have brought upon themselves. Domestic violence cases are also something of an exception to the general rules. Victims who were living together as a family at the time of the attack must no longer be doing so unless the injured person is a child. Normally, the attacker must also have been prosecuted unless it can be shown there are very good reasons why this has not been done. In most cases, applications for compensation must be submitted within three years of the incident that caused the injury, although late applications may be accepted in exceptional circumstances. For further information, contact the Criminal Injuries Compensation Board, Wellington House, 19 Alfred Place, London, WC1E 7EA.

Eric Short looks at some refugees from the Victorian era

Friendly societies seek a niche

FRIENDLY societies flourished in the Victorian era when the principles of prudence and self-help, principles much admired by Margaret Thatcher, were needed if ordinary working people were to ride out the vagaries of life—illness, unemployment and retirement. But have Friendly Societies a role in the growing sophisticated UK insurance and savings market with its trend towards international-style investment? The friendly societies themselves feel that they have an important role to play in providing a welfare and other benefits if only the Government and government departments get off their backs and encourage the principles they stand for. The National Conference of Friendly Societies is actively lobbying the Government to get that help, having secured the services of the noted economist Professor E. Victor Morgan to conduct an independent and impartial appraisal of the present and future role of friendly societies.

The report, which was published recently and has been sent to the Government, the Treasury and the Inland Revenue as well as to MPs. Will it get a sympathetic hearing from those who matter? Much of the report is taken up with the history of friendly societies. But with due respect to Professor Morgan this is likely to be counter-productive, since the immediate impression this section gives is that though friendly societies fulfilled an important role before the Welfare State, their structure and methods of operation are now totally out of place in the modern, high technology era of savings and investment. The only justification for detailing such a long history would be if the societies intended to bid for the privatisation of the Welfare State—not such an outlandish idea as it sounds when one sees that before 1948 friendly societies were the Welfare State. Peter Gray, general manager of the Tunbridge Wells Equitable Friendly Society, speaking on behalf of the National Conference, assured journalists at the report's press launch that the Conference had no such ambitions. The aims of the societies are more modest—to be allowed to operate on their existing basis, together with the chance to be allowed to participate, in a modest way, in the new investment opportunities now arising. The National Conference sees friendly societies offering tax exempt investments as the first part of every investor's savings portfolio. Thus the final and most important part of the report sets out the concessions

needed from Government to enable friendly societies to play this role on a financially viable basis. In summary, they are asking for: The limits on sums assured to be raised from the present £750 to £5,000. This would mean a maximum annual premium of around £500 for a 10-year policy against the present £100. All societies to be placed on an equal footing regardless of their date of registration. Societies to be freed from constraints on investment and marketing. Societies to be allowed to offer the new style personal pensions and personal equity plans. Peter Gray points out that societies are not asking for the earth. Raising the sum assured limit would cost the Revenue around £2m a year. The whole affair over Baby Bonds has highlighted the need for a complete rationalisation of the present friendly society legislation. Friendly societies were urged to become innovative in their activities in order to serve the community. But when Tunbridge Wells Equitable launched its Baby Bond, which enables parents and grandparents to build up a nest egg for a child it got slapped down by the Inland Revenue for selling too many bonds.

Two other societies endeavouring to follow the example of Tunbridge Wells Equitable and launch carbon copies of the Baby Bond were this week forced to cease sales. The Revenue, on its interpretation of the 1985 Finance Act, is imposing quotas on societies for new products. No doubt similar action will be taken on societies designing new contracts on the tax-exempt business. However, despite the moderation of the requests, one feels that the Government is embarrassed by the mere existence of friendly societies regarding them as an anachronism in the present age, but has not the courage to kill them off quickly. They are hoping that they will, with away because the limits will not enable them to operate on a commercially viable basis. Thus the most likely action is for the Government to take sympathetic noises but do nothing. It may even go as far as to double the sum assured limit to £1,500. But societies should not expect much more. Copies of the report, The Friendly Society in the Welfare State, are available free from: Peter Gray, Tunbridge Wells Equitable Friendly Society, Abbey Court, St John Road, Tunbridge Wells, Kent TN11 9TE.

THE NEW EXCELL POCKETPHONE

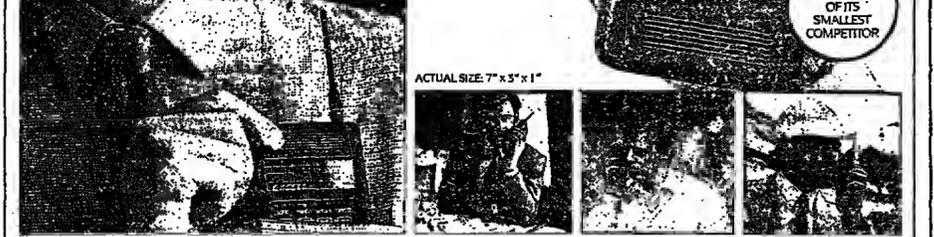
The smallest, lightest, most advanced cellphone in the world.

THE CELLPHONE THAT IS APPROVED TO CHANGE NETWORKS AT THE TOUCH OF A BUTTON

Ever since the telephone was invented, people have been trying to make it portable. Now, at last, there's a go-anywhere, call-anywhere phone that's not only truly portable but pocket-sized too!

The Excell Pocketphone measures a mere 7" x 3" x 1". And with a Mains Charger and Rapid In-Car Charger available, the Pocketphone will keep you in contact, wherever you go. The state-of-the-art Pocketphone is also software based, which means it can easily adapt to new technology. So unlike others, it won't be out of date in next-to-no-time.

Even the price is pocket-sized. You can lease a Pocketphone—complete with a comprehensive charging system—for only £11.99 a week (Lease rate over 5 years). Or you can buy it for just £1,990 (plus VAT).



BEFORE YOU BUY A PORTABLE TELEPHONE CONSIDER JUST A FEW OF THE EXCELL POCKETPHONES' UNIQUE ADVANTAGES.

- Weights only 18 1/2 oz • 32 Character Display • 99 Number Memory Storage • Programmable Security Lock • A Data Interface • Call Duration Timer • Signal Strength Meter • Battery Level Indicator

POCKETPHONE ACCESSORIES INCLUDE:

- Mains Charging Unit • In-car holder • Battery-to-Battery Charger • User Directory • Rapid In-Car Charger • Desk top holder • 1/2 Wave antenna

PHONE NOW

FOR AN IMMEDIATE DEMONSTRATION, PHONE LINES OPEN SUNDAY 10AM-4PM.

01-387 5795 061-941 2323

OR FREEPOST TODAY

NO STAMP NEEDED

To: Excel Communications Ltd., Freeport, Excel House, Hale, Altrincham, Cheshire WA15 0SR.

Please call me to arrange a Pocketphone demonstration. Please rush me everything you've got on the new Pocketphone

APPROVED

NAME _____ COMPANY _____

TEL-BUSINESS _____ TEL-HOME _____

ADDRESS _____ POSTCODE _____

VODAFONE EXCELL

THE BRITISH PRODUCT SETTING NEW STANDARDS IN PORTABLE CELLPHONES AROUND THE WORLD.

Those loaded questions

ONE CUSTOMER at an advice clinic at the recent Money '86 exhibition was incensed at the fact that there are no no-load funds in the UK. The sad fact, he was told, is that more than 70 per cent of unit trusts in this country are made through broker intermediaries. For this reason, it is a brave group that says that the standard 3 per cent to brokers, which accordingly has to be built into the front end charge to investors. Unit trust commissions at the 3 per cent level have been adhered to with a good deal of unanimity. Most groups are members of the Unit Trust Association and are therefore bound by its rules on commission charges. As a result, charges have also been fairly uniform. There are signs, though, of an inexorable upwards movement. Moreover, this could be increased by the growing dependence of unit trust groups on the intermediary competition from other investment media paying higher commission levels. Currently there is a tendency for new trusts to carry higher charges—typically 5 1/2 per cent front end and 1 per cent or more annual management charge. The following groups have a 5 1/2 per cent charge on all or almost all of their trusts: Fidelity, Gartmore, Henderson, Midland Bank, MIM Britannia, Perpetual, Reed Steadhouse (Royal Trust Wellington trusts), Royal London and Sentinel. There are also groups whose charges are lower than the norm. They are mainly those whose trusts started out as vehicles for the private clients of stockbrokers. Their trusts are usually not heavily marketed, and do not pay the full 2 per cent commission to brokers. If such a trust performs well, and the group decides to market

it more aggressively, the need for higher charges may make itself felt. This was the case recently with Bishopsgate International and Bishopsgate Progressive, where initial charges were raised from 2 per cent to 5 per cent because, although the trusts had good performance records, "intermediaries were not interested." Another group which made a brave attempt to go "no-load" was the Bristol-based West-Avon. Their hope was to attract a flood of unitholders with the same view as the man who complained at Money '86. Alas, it didn't work out. The group has recently become part of the financial services holding company Brint Investments, and one of the first changes made was to restore commissions to intermediaries and reintroduce charges. There are successful groups which do not pay the full commission. Framlington is one and Equitable, a relative newcomer to the mainstream unit trust market, is another. Both these groups have initial charges of 5 per cent. Framlington's annual management charges are 1 per cent or 1.5 per cent. Equitable's are 1 per cent. The move to increase initial charges seems at present limited to a move up to 5 1/2 per cent. The reasoning behind this is that building a 5 per cent charge into a price calculation results in an actual charge of only around 4.75 per cent of portfolio value. (In other words, 5 per cent added on to £100 to give £105 is not 5 per cent of the total price, i.e. £105, 5 per cent of £105 is 5 1/4 per cent.) Fidelity has found that this particular little mid-bugger, far from being a mere technicality, resulted in an endless complication when calculating special offers or switching discounts. Was the unitholder

charge permitted under the Department of Trade formulae for calculating charges is in addition to the 5 or 5 1/2 per cent quoted. Under the current proposals for changing the structure of unit trusts, this small bonus to the charging structure—effectively hidden from the unitholder—would cease to exist. This fact, says Bateman, has not yet been addressed by the industry, which could be faced with increasing charges or reducing margins. There are no prizes for guessing which of these he thinks will be the more likely.

Christine Stopp

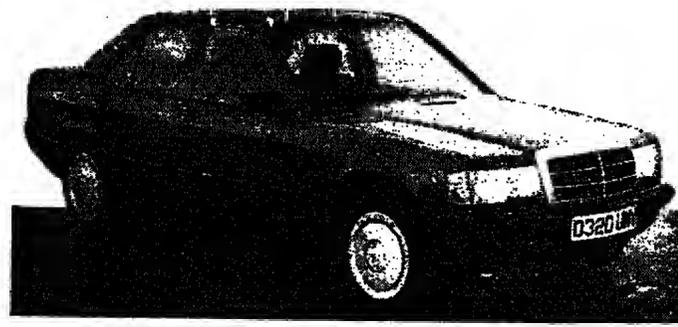
High	Low	Company	Price	Change	div.(p)	%	P/E
148	116	Ass. Brit. Ind. CUSL	132ad	—	7.0	5.5	4.1
151	121	Ass. Brit. Ind. CUSL	142ad	—	10.0	5.9	4.9
48	28	Armitage and Rhodes	64	—	4.0	12.9	8.2
71	54	Barrat Design Group (USM)	67	—	1.4	2.1	16.0
213	108	Barrat Hill Group	108ad	+1	2.2	2.2	24.2
95	42	BVA Technologies	95	—	4.3	4.5	11.9
207	75	CCIL Group Ordinary	139	—	2.9	2.2	9.4
152	85	CCL Group The Carv. Pl	148	—	1.0	15.9	8.0
265	80	Carborundum Ord.	265	+1	8.4	12.8	—
84	53	Carborundum 7.5pc Pl.	90ad	+1	10.7	11.3	—
32	21	Fredrick Partner Group	32	—	—	—	—
125	50	George Salf.	91	—	3.8	4.2	2.3
95	20	Ind. Precision Castings	95	—	6.7	7.1	2.5
218	148	Jacobson	148	—	19.3	32.4	2.5
128	101	Jackson	128ad	—	6.1	8.4	—
377	228	James Barrough	377ad	+1	17.0	4.8	10.0
103	85	Jane Burrough	103	—	12.9	14.3	38.6
1038	342	Mulhousa NV (AmstSE)	705	—	—	—	—
380	250	Reed-Ridgway Ordinary	380	—	—	—	—
100	82	Reed-Ridgway 10pc Pl.	100	—	14.1	—	6.2
90	32	Robert Jenkins	90	+1	—	17.2	3.0
137	28	Scrymgeour	137	—	—	—	—
370	320	Trevan Holdings	370	—	3.7	5.7	8.3
75	25	Unicel Holdings (SE)	75	—	2.8	3.5	14.5
155	47	Walter Alexander	155	—	10.8	4.7	10.0
228	180	W. S. Yates	198	—	17.4	—	—
98	87	West Yorks. Ind. Hosp. (USM)	97	—	5.8	5.8	19.0

Granville & Co. Limited
8 Lovat Lane, London EC3R 6EP
Telephone 01-621 1212
Member of FIMBRA

Granville Davies Coleman Limited
27 Lovat Lane, London EC3R 6DT
Telephone 01-621 1212
Member of the Stock Exchange

TRAVEL • MOTORING

Stuart Marshall celebrates a driving jubilee Delights of diesel



A half-century of Mercedes diesels... the 190D, which cruises at 100 mph; and the 260D of 1936, which would just about reach 60 mph flat out



A half-century of Mercedes diesels... the 190D, which cruises at 100 mph; and the 260D of 1936, which would just about reach 60 mph flat out

THE WORLD'S first diesel car to 50 years old. It was a Mercedes—but only just. When the Mercedes 260 D, with a 45-horsepower, 2.6 litre engine made its debut at Berlin Motor Show in 1936, a Citroën diesel car was trading on its heels. None of the 2,000-odd Mercedes 260 Ds manufactured between 1936 and 1938 is known to have reached Britain, but Citroën diesel was on sale here in 1937. It was a sit-up-and-beg seven-seater, weighing a ton and a half and with a 1.8 litre engine developing just 40 horsepower under the bonnet. Even by contemporary standards it must have been a modest performer but "Autocar" was impressed by its 47 mpg fuel economy. "When the lower cost of diesel oil is also taken into consideration—about 1s 1d (51p) per gallon against 1s 5d (71p) for commercial grade petrol—there is an appreciable saving," said the magazine. Top speed and acceleration figures were not mentioned by "Autocar" but one could imagine errand boys on bicycles giving the Citroën a run for its money in the traffic lights grand prix. But I doubt if this mattered to the few people who bought them. The main point of having a diesel car has always been economy, long life and reliability, not performance. (One of the original Mercedes 260 Ds covered 1.5m kilometres—800,000 miles—in its original owner's hands.) Another important reason for buying a diesel in Germany today is that medium to large cars have to have costly catalytic converters to clean up the exhaust emissions. They are petrol engines whereas a diesel is clean enough as it is. That explains why 50 per cent of all Mercedes 190s and 40 per cent of the larger 200-300 series cars sold in Germany today are diesels. We have a long way to go before we can match that kind of market penetration though the diesel car ceased to be a curiosity here several years ago. Since 1980, when only 5,825 were registered, sales have steadily risen until last year, 66,181 were sold. This year, there was a slight dip from a 4.5 per cent market share in January to 3.4 per cent in June, but it has since climbed to a record 3 per cent. Total sales this year could be 75,000 diesel cars. Increasing sales in business users, and a widening gap between diesel fuel and petrol prices, have caused the rise. Last October, Citroën's BX topped the diesel charts for the third month this year. It was followed closely by the Peugeot 205, with Ford's 1.6-litre Escort diesel third. The BX is an excellent diesel, with lively acceleration, a quiet 80-85 mph cruising rate and good fuel economy. It is also a bargain, because in some cases the diesel version costs less than the petrol equivalent—normally, it is the other way round. A BX 17RD, with the same engine as a Peugeot 205 and fitted with electric front windows and central locking as standard, rates as a best buy at £7,095. Ford, too, has been selling its Escort diesels at the same price as the petrol versions. A week or two ago I tried some of the latest Mercedes diesels, from the 2-litre 190 to

mark as some turbo-charged diesel rivals but ideal for rolling up the motorway miles hour after hour. Prices are high from £12,335 for the 190 D to nearly £17,750 for the 300 D automatic. Mercedes is a conservative company and it uses the traditional pre-chamber combustion process. The fuel is injected into a tiny chamber above the cylinder where it is ignited by the heat created by the piston compressing the air in the cylinder. But it will be using direct injection, which saves still more fuel, before long, perhaps in 1987. The first direct injection car diesel is now available in the Austin Maestro van, for which car-like acceleration and liveliness are claimed. I sampled one the other day. It went well enough to make me impatient to try this 2-litre engine in the diesel Montego saloon which is promised for the early part of next year. The Japanese, too, have been quick to appreciate Europe's liking for the economical diesel car. Some of their turbo-diesel engines in particular compare well with Europe's best. For example, the Mitsubishi Shogun 4x4 estate I drove last week, and the Mitsubishi Space Wagon I am using now, both have turbo-diesels of extreme smoothness and liveliness. More about these two interesting vehicles soon.



Mauritian beach life: in pursuit of the healthy outdoor existence

Less sin than sun

price. Breakfast and lunch are buffets, that free form of eating beloved of all large French elements among the clientele ensures that the quality and quantity of cooking is very high. Not only do the French take their food extremely seriously, they are rapid and loud in their complaints if it is not up to standard. The Club Med formula seems very well suited to Mauritius. If you have found good food and a good beach, why bother to explore? As a clump of land the size of Buckinghamshire inhabited only since the 17th century, and then by a succession of rich quick colonial empire builders, there is not a very rich cultural tradition to investigate. Yet there are some sights of heart-stopping beauty hidden in the island. Take a car into the Plaine Champagne, the highlands of Mauritius. Look down from a number of viewpoints one can imagine the impression the island must have made on the first Dutch settlers almost 400 years ago. These are no drab sugar plantations, but dense forests—the trees twitching in the distance as monkeys leap across the branches. Such glimpses of primordial beauty must be snatched greedily. If it is worth travelling to visit, it is also worth travelling to eat. Club Med's disregard for the catering industry's god of portion control is a wonderful thing, but the normal couple might want a break from the eight-to-table routine. For haute cuisine and genuinely original ideas in the preparation of the whole gamut of Mauritian sea food, the places to go are either La Terrasse at the Saint Geran Sun Hotel, or Au Gourmel, in Curepipe. Yet the greatest pleasure in eating abroad is not making a bee-line for the top restaurants and paying European-style prices, however dazzling the cuisine. The true delight is in tumbling across culinary genius where it is not expected. Stumble, then, to the tiny village of St Julien in the unfashionable centre of the island. There are no cabs, television, radios or newspapers available. There are no shops, either. So normal prudence dictates that all money should be deposited in the club bank. Now comes the clever bit. In exchange for a signature each guest is given a necklace of orange and cream plastic beads, which can be used as barter payment for drinks at the bar. This is the only significant expense which is not included in the overall price. The pricing structure of the beads seems to have been carefully designed so that each bead represents a whole number in no known currency. The stated value of the orange head is 3.6 Mauritian rupees each. Translating that into sterling after a couple of an-

and tonics. Better still, don't try. Naturally the effect of such sunny money is to encourage spending at a rate which would perhaps be unusual with the folding shut. And the prices can be quite fancy. A slug of Johnny Walker Black Label whisky about £2.80 (to you, 14 orange beads). The Club Med formula seems very well suited to Mauritius. If you have found good food and a good beach, why bother to explore? As a clump of land the size of Buckinghamshire inhabited only since the 17th century, and then by a succession of rich quick colonial empire builders, there is not a very rich cultural tradition to investigate. Yet there are some sights of heart-stopping beauty hidden in the island. Take a car into the Plaine Champagne, the highlands of Mauritius. Look down from a number of viewpoints one can imagine the impression the island must have made on the first Dutch settlers almost 400 years ago. These are no drab sugar plantations, but dense forests—the trees twitching in the distance as monkeys leap across the branches. Such glimpses of primordial beauty must be snatched greedily. If it is worth travelling to visit, it is also worth travelling to eat. Club Med's disregard for the catering industry's god of portion control is a wonderful thing, but the normal couple might want a break from the eight-to-table routine. For haute cuisine and genuinely original ideas in the preparation of the whole gamut of Mauritian sea food, the places to go are either La Terrasse at the Saint Geran Sun Hotel, or Au Gourmel, in Curepipe. Yet the greatest pleasure in eating abroad is not making a bee-line for the top restaurants and paying European-style prices, however dazzling the cuisine. The true delight is in tumbling across culinary genius where it is not expected. Stumble, then, to the tiny village of St Julien in the unfashionable centre of the island. There are no cabs, television, radios or newspapers available. There are no shops, either. So normal prudence dictates that all money should be deposited in the club bank. Now comes the clever bit. In exchange for a signature each guest is given a necklace of orange and cream plastic beads, which can be used as barter payment for drinks at the bar. This is the only significant expense which is not included in the overall price. The pricing structure of the beads seems to have been carefully designed so that each bead represents a whole number in no known currency. The stated value of the orange head is 3.6 Mauritian rupees each. Translating that into sterling after a couple of an-

Dominic Lawson goes to Mauritius on a Club Med holiday and discovers the truth behind a saucy image

value for money can be realised only by using the swimming and sporting facilities and tuition that are included in the price. The usual water sports, such as sailing and wind surfing, are expertly taught, with all equipment laid on. For one can attest to the almost preternatural patience of the water skiing instructors ("One more attempt, Mr Lawson?"). For those who share my view that the swimming pool is the only dignified outdoor rendezvous between man and water, the pool at Pointe aux Canoniers is more than adequate. There is also a range of land-based sports including such recreative pursuits as archery and chess. The row of inlaid chess tables looking out over the beach and only 20 seconds' walk from an outdoor breakfast bar is a truly civilised concept. So, too, is the nightly quadrophonic classical music concert, tuned as the sun slides out of the vast view from this west-facing promontory. Club Med is all about the healthy outdoor existence. But that is no excuse for the policy, in Mauritius at least, of compelling two single people to share the same accommodation as that given to couples. A unit of two bedrooms, one loo, one shower and one basin is fine for a couple, or even close friends. But for two people who have never met before it is—at best—pot luck. Most aficionados of Club Med holidays appear to have become addicted to the food. This—plus unlimited quantities of wine—is included in the basic

CHESS

THIS BEING the season of peace and goodwill, it seems appropriate to make draw offers the subject. Probably around half of all offers to draw a chess game are improper—that is, made at the wrong time according to the laws of chess. A hard-headed player will want to know all the nuances involved, for draw negotiations offer a chance to establish psychological authority over a less knowledgeable opponent. The relevant rule in the World Chess Federation (FIDE) code requires a player to make his move, then propose the agreement to draw, then start his opponent's clock so that the opponent's thinking time. The opponent can decline the offer

BRIDGE

MY FIRST hand comes from rubber bridge: N. A 8 ♠ A 9 ♣ A 6 3 2 ♣ K 8 6 W. J 8 5 4 2 ♣ Q 10 ♠ K Q J 5 4 ♠ 10 8 7 5 ♠ J 7 5 3 ♠ 10 9 2 S. K 7 6 3 ♠ 10 8 7 6 3 2 ♠ A Q 4 At game all North dealt and bid one no trump, to which South replied with three hearts. North rebid four diamonds, accepting hearts and showing his lowest fast-round control. South in turn cue-bid five clubs, and North closed the auction with six hearts. West led the diamond king, and South studied the position. If trumps broke 3-2, he could make 13 tricks by ruffing one spade and discarding the other on the ace of diamonds. If trumps broke 2-1, he would have no difficulty in making 12 tricks by the same line of play, conceding just one trump trick. Instead of winning the diamond with dummy's ace, declarer played low from dummy and ruffed in hand. Then a heart to the ace revealed the cruel distribution: when West showed nut. Now a complete change of plan was demanded—trump endplay. And for this to succeed East had to hold precisely three clubs, four diamonds, and two spades. At trick three South cashed the ace of diamonds, discarding a spade, cashed ace, queen, king of clubs. Now another diamond was ruffed, and the king and ace of spades were made. At this stage East held Q J 5 of hearts, South held 10 8 of hearts and the spade seven while dummy held K 9 of hearts and the nine of diamonds. When

BLACK (11 men)



WHITE (9 men)

unwanted draw offer are: "Of course not!" (Bobby Fischer) and "I'll say when it's a draw." I learnt a subtler way of putting down an unwanted drawist at the Britain v. USSR match of 1954. Marginally worse against Taimanov, I asked "Remis?" in my best German accent. "Ein moment," replied the GM, got up, and strolled over to his hatched-faced match captain. An earnest Slavonic discussion ensued, long enough to raise hopes of successful peace overtures. Taimanov returned, resented himself carefully at the board, then said: "Ein paar zuge." The "few moves" turned out to be some 50 as he ground his way to a winning endgame. An important draw for practical chess is by threefold repetition of position, with the same player to move each time. Its fineness have deceived many grandmasters, including two world champions. This is Castro v. Petrosian, Biel 1976. Petrosian, Black, had just had a draw offer refused. Play went 1 Q-N7, R-KB1 (Petro-

PROBLEM NO. 651 Christmas greetings to all chess playing readers. As a seasonal gift, this diagram offers a chance to do better than a world champion. It is from Euwe v. Ljilienthal, Stockholm 1937, where titleholder Euwe (White, to move) played 1 B-Q5. Why was this a mistake, and can you find a stronger move which Euwe missed? Solution Page XIII Leonard Barden

It's not too late to flee Christmas, says Annalena McAfee

The great escape

HERE ARE those who would argue that Ebenezer Scrooge had a bad press. Apart from a certain over-scrupulousness about profit margins, the man was afflicted by nothing more than a perfectly understandable phobia of the traditional Christmas. Like many in the literature's villains, the argument goes, he was simply a man before his time. Should he have been fortunate enough to live in the more enlightened 1980s, he would by now have his suitcase packed for his anti-holiday flight to foreign climes. Mr Scrooge would, of course, have spent the last six months scanning the winter brochures to find the Great Escape of his choice. Those who have spent the last few weeks of the year reading a little literature, there is good news and bad news. The good news is that there are, in travel trade terminology, pockets of availability. If you were to walk into your travel agent's today you could be fastening your safety belt prior to take-off tomorrow. The bad news is that if you set out to celebrate the winter solstice in the sun, you might well forget it. With the biggest Christmas rush of British holidaymakers ever Thomson reports 93,000, as opposed to 75,000 last year, bookings for the world's hot-spots are very heavy. This year's favourite seems to be the Caribbean. Ronen McIntosh of Air Jamaica reports full flights since the beginning of November. "It seems to be the place to be this year," he says. Bookings for the eastern Caribbean are slightly high. Thomson reports an early clamour for seats to Kenya, Florida and Thailand. Mexico is also oversubscribed. For winter sun (best not guaranteed) some of the package companies were last week still offering spaces in the Costa del Sol, the Canaries and the Balearics. Thomson Holidays (087-9321) had flights to Majorca and Morocco and long-stay trips to Benidorm (£1.99 a day for 35 days or more). But for a more romantic Christmas holiday, the best bet is to accept the wintry climate and head for Europe. Air France (568 6951), which runs nine flights a day to Paris, last week reported empty seats on many of its flights right up to Christmas Eve. This unexpected bonus for holidaymakers is caused by the absence of business travellers over the festive season. Tickets start from about £78 return. Air France Holidays (489 9511) is

The great escape

also offering several packages in Paris from £172 per person for seven nights. British Airways (897 4000) reported a number of spaces available on flights to Prague, and what could be more appropriate off-beat than spending Christmas in the home-town of Good King Wenceslas? BA also had flights to another interesting and comparatively undiscovered (European) destination: Budapest. Seats on pre-Christmas flights to Bologna and Berlin were also available. Amsterdam, where Santa Claus's assistants beat bad children with birch twigs, would also be a good choice for a Christmas break. British Airways reported good availability last week and Travelence (835-1023) is offering three or four day breaks leaving on December 23. Travelence also arranges Christmas breaks in Rome, Vienna, Amsterdam, Luxembourg, Paris and Madrid from £199. Travelence specialises in the last-minute traveller and offers to deliver tickets by messenger or arrange for them to be picked up on departure. German Tourist Facilities (329-2474) still has places left on its short breaks to Dussel-

Company Notices

\$200,000,000 GEORGIA FEDERAL BANK, FSB COLLATERALISED FLOATING RATE NOTES DUE DECEMBER 1996 For the interest period 17th December 1986 to 17th June 1987, the above Notes will carry a Rate of Interest of 6 1/2 per cent per annum with a Coupon Amount of US\$3,222.92 per US\$100,000 note.

Legal Notices

IN THE HIGH COURT OF JUSTICE CHANCERY DIVISION Re: LLOYDS BANK INTERNATIONAL LIMITED AND THE COMPANIES ACT 1985 NOTICE IS HEREBY GIVEN that the Order of the High Court of Justice (Chancery Division) dated the 8th day of December 1986 confirming the reduction of the capital of the above-named Company from £100,000,000 to £500 and the Minutes approved by the Court showing with respect to the capital as stated the several Provisions required by the above-named Act were registered by the Registrar of Companies on the 11th day of December 1986. Dated the 11th day of December 1986. LINKLATER & PAINES (HONC), Solicitors to the Company.

Personal

Please remember the elderly at Christmas who have spent their lives caring for others—and are now in need of care themselves. The NBI helps them to remain in their own homes, gives grants for heating, telephone, medical treatment etc, and helps towards Nursing fees. We also have flats at Old Windsor and Westgate. Please send whatever you can spare to: The Secretary, The National Beneficial Institution (NBI), 61 Baywater Road, Reg. Charity London W2 3PE. 22430

Victims of violence to pay... IF THE average Brit has considered the matter at all, he probably has two thoughts about Club Med holidays today. First, that they are dominated by singles attempting to couple on an epic scale. Second, that they represent some of the last outposts of the French colonial empire, where an inability to speak idiomatic French will result in instant ostracism. Yet if the Club Med at Pointe aux Canoniers on the north-western tip of Mauritius is characteristic of the company's style, then these views are more prejudiced. The vast majority of the paying customers arrive—and leave—as couples. If any thing, it is a centre for family holidays, although one stupendous French family of 22 members was carrying that tendency to extremes. Despite the French ownership, Club Med is quoted on the Paris Bourse—English is the official language at Pointe aux Canoniers. This is not so much because Mauritius is a member of the Commonwealth—it was a French colony before it was taken over during the Napoleonic Wars—but because the great majority of the club's guests are South African. This is typical of the island as a whole, in that South Africans are the dominant foreign tourists. Anyone whose liberal sensibilities are offended by the presence of droves of Afrikaners, had better choose a different tropical paradise. While Mauritius may be an exotic hang-out for the affluent European, it is almost the South African equivalent of the Costa Brava, with more than three hours' flight from Johannesburg. Mauritius might have been touted the Commonwealth Games over the UK's failure to agree sanctions against South Africa, but in practice its Government gives incentives to South African investment in Mauritius. For French, the third language at Pointe aux Canoniers is Japanese. Mauritius is now opening up to the Japanese honeymoon market, although the oriental wave has been limited by the refusal of the Mauritian Catholic church to follow its counterpart in the Seychelles and conduct mass marriages of Japanese Christians. There were times when the attempt to be comprehensible in three languages had bizarre consequences—none more so than when the regular evening performance (shades of Bullfinch) featured three members of the staff singing I Did It My Way simultaneously in English, French and Japanese. A sentimentally alien to Japanese ears, the culture would be hard to imagine. As for French, comme habitude somehow does not have the resonance of the catchphrase associated with Mr Frank Sinatra. Club Med appears to run on the formula of many less middle-class holiday camps: a great deal of social interaction contained within a site which is designed to be entirely self-sufficient and effectively cut off from the outside world. As a result, the holidaymaker learns infinitely more about the social customs of paying guests than the natives. This, however, is more enlightening than the standard hotel holiday in which nothing is learnt in particular. Japanese exposure to the Japanese at play a mind broadening—and mind-boggling—in a way that most travel rarely is. One evening each week, the guests—gentle members—are invited to take over from the organisers—gentle organisers—highly show. The "comedies" presented by 14 Japanese honeymoon couples involved an unconventional use of lavatory paper, plus explicit representations of castration and homosexual vampirism. It brought the house down. Somehow I was never able to look at the Japanese brides in quite the same way again. The shows were the weakest link in the Club Med package, virtually all the acts were nudes, and the club has suffered through losing its band

DIVERSIONS

Holly trees have sex problems too

ALTHOUGH I have plenty of holly trees, some planted and some self sown, I often have difficulty in cutting all the well-berried branches required for Christmas partly because of the number of berries eaten by the birds but also because of a disproportionate number of males among my trees. Birds are primarily a country problem but the segregation of sexes in hollies and among many other plants is universal.



Arthur Hellyer warns of the jams in which some berries find themselves

Most holly trees have flowers of one sex only but just a few are bi-sexual. Golden King is wholly female and so is Madame Briot, another handsome yellow variegated holly but *Auricomminata*, with a white edge to each dark green leaf, can be either male or female so when purchasing it one needs to make sure which sex is being offered. Of course one must plant at least one pollen-bearing holly among the females or there will be nothing to fertilise the flowers and therefore no berries. Nurseries tend to favour berry-bearing hollies and so it can be quite difficult to find a male, but the bi-sexual *J. C. Van Thol*, also known as *Polycarpus*, is widely available and will not only produce berries in isolation but is also effective in pollinating wholly female hollies.

Sex problems are even more confused in perennials which often produce flowers that appear to be bi-sexual and yet behave as if they were unisexual. Added to this a great many perennials are sold in pots in berry. There are a lot of them about at the moment for Christmas decoration and a few may be bisexual but the majority will be female.

If you stock the garden solely with these they may never again produce a single berry. Some nurseries do propagate and sell a male variety named *Mascula* but since it does not itself produce any berries it is not very popular. If you want perennials and cannot find *Mascula* or some other guaranteed male the best buy will probably be Bell's Seedling, a fine variety with dark red berries and some pollen. Other berry colours available are white, pink, lilac, crimson and maroon.

Perennials dislike lime and so are for acid soil only but it does not need to be very acid. They make dense thickets of growth slowly extending and

because of this habit they can be increased by division in the spring. They can also be pruned or clipped in May or June and occasionally I have seen them used effectively as low hedges.

It is a good deal easier to get regular crops of berries on skimmias since males are worth growing for their flowers alone and most nurseries stock one or two of them. The two popular ones are *Ruhella*, which has purplish red flower buds decoratively all the winter and *Fragrans*, which has specially large sweetly scented flower spikes. Good female varieties are *Wisly* and *Nymans* but if skimmias are purchased in berry there can be no doubt about their sex. This is easier to do than you might imagine since skimmias are peculiar in retaining their berries for a very long time, even until the next lot of berries are commencing to swell. Birds seem entirely indifferent in them and I have never seen them stripped.

Most cotoneasters produce berries without the least coaxing but I did once have a bush of *Cotoneaster conspicuus* which flowered freely year after year yet produced scarcely any berries. I consulted Sir Frederick Stern, a great expert in such matters, and he gave me a seedling from one of his bushes which never fails to cover itself in berries and has produced seedlings of its own which fruit with equal profusion. This is also the only cotoneaster I know which the birds never touch.

Cotoneasters offer a great range of form. *C. conspicuus*

decorus makes a dense dome which gets ever bigger until it may have to be replaced until it is difficult to prune without spoiling the shape. By contrast *C. dammeri* spreads itself flat on the ground. *C. linnæi* will fan itself against any wall or fence. *C. franchetii* will make a graceful shuttlecock of slender stems and any of the *C. frigida* hybrids such as *Comnubia* or *Watereri* will grow into tall bushes or small trees. This is a wonderfully adaptive, easy going family with no fads about soil but a tendency to suffer from fireblight, a disease which causes whole branches to wither. There is no cure and affected bushes should be grubbed and burned.

Fireblight is even more likely to attack pyracanthas but I would not do that account refuse to plant them for there are no fruiting shrubs capable of making a more massive display and they also have the advantage of glossy evergreen foliage. Some varieties are described as disease resistant but this refers to scab, the same scab that attacks apples and pears. I do not know of any pyracanthas that are resistant to fireblight but some may well exist and I am sure that nurserymen are looking for them.

The tendency at the moment is to concentrate on named hybrids such as *Mohave* and *Navaho*, both with orange red berries; *Orange Glow* (orange) and *Soleil d'Or* (yellow) but there is still a lot to be said for the Chinese species *P. rogersiana* which has red berries and its two varieties *Flava* and *Aurantiaca* which are respectively yellow and orange. All have neater foliage than any of the garco hybrids and they are also the most decorative in flower.

I also find roses very useful at Christmas time. The common dog rose can produce hedges as freely as any but it is not for small gardens. *Rosa moyatii* never ceases to create wonder because of the size and waisted shape of the berries. Like the dog rose it is rather big but there is a variety named *Geranium* which is more compact. *R. rugosa* produces good crops of glaucous scarlet hedges and the *Apple Rose*, which we used to know as *R. pomifera* but is now *R. villosa*, is another fine kind to grow for hedges.

YOU HAVE six days to go and half your presents are unbought: how can gardening help you? Not, I think, by providing yet more pot plants. Those acaelas, poinsettias and cyclamens are all very well, but their growers have forced them in small-sized pots and most of them will be looking wretched after a month in the company of central heating.

Givers regard them as gifts, not permanents, and it is heartily to be thought that these living creatures are being regarded as instant presents, as short-lived as the needles on a Christmas tree.

Instead, I urge you to give long-lasting plants which are sensibly presented and have not been forced into flower. They may appear to be bundles of twigs; they may even arrive in unfashionable black polythene. Unlike a smart poinsettia, they will last for years and improve with age, growing old with the recipient. They are also the answer for those legendary characters who already have everything. I doubt if they have been given a bunch of bare twigs before, but even so, they cannot have every worthwhile shrub available at a good nursery.

Try the garden centre, then, before the florist and go out into the back area to check the shrubs in their concrete frames. If in doubt, why not choose a *daphne*? Quite a few gardeners are scared of them because they are supposed to be difficult, and even the experts can never have a too many.

Actually, the pink-flowered *daphne* Somerset (also called *burkwoodii*) is extremely easy to grow. It will rapidly make a round bush about 4 ft high and will thrive whether or not the soil has lime. There are some good plants in the centres at the moment, although they look twiggy without their leaves. A

NOW IS the time of year to examine your wine cellar — or record of reserves held in merchants'. The deprivations of the past 12 months may be considered objectively, especially with a restorative glass of sherry or tawny port to hand. The task is much easier if some record of domestic consumption is customarily kept.

The concern is not so much with purchases of everyday wines as with stocks of vintage wines that need replenishing. By and large these are still worth buying young and keeping for at least some years. Today it is less a matter of saving money by early purchase. The fall in the market, as demonstrated in the London auction rooms, has meant that



Robin Lane Fox goes for shrubs rather than short-lived flowering plants

Don't go to pot

row of *daphne* Somerset would grow into a charming low hedge, but it is not evergreen.

Not much use, you might think, for an indoor gardener: if so, by that supremely scented member of the family, *daphne* *Odora* *Aureo-Marginata*. This shrub for a south-facing bed needs no more praise from me but I must emphasise that it will grow willingly in a pot that can be brought into a warm room. Eventually, it becomes about 3 ft tall and wide but

you can trim back its shoots after flowering and stop them becoming bare at the base.

I have yet to meet a gardener whom it does not captivate. There is a poteocy about the scent from its maroon-red buds in early spring, a sweetness which nothing surpasses. It grows very easily in an unheated room or conservatory but you must watch out for white fly on the leaves in summer.

If the *daphnes* are sold out you ought to find something at the end of the alphabetical line, among the viburnums. Anyone would like a winter-flowering variety with scent like *bodnantense*, which has been so wonderful this year. Among the scented spring flowers I recommend named forms of *Carlesii* called *Aurora* and *Diana*. The promise of scent redeems the barest branches in a nursery container. Personally, I would like a new *Winter Sweet* but

others might not wish to wait seven years for the first flowers and that strange, rich scent from their pale-yellow petals. If you are faced with an overstocked gardener, needing a present, try giving him one of the small varieties among big families. Perhaps he has a weeping willow, but he is less likely to have one of the small silver-leaved willows, of which I recommend *Salix Repens* *Argentina* which spreads so charmingly and stays less than 3 ft tall. It grows well in damp sand near the sea-side.

Alternatively, he might have big lilacs and complain about their off-season: if so, he does not know *Syringa* *Microphylla* *Suecica*, a wonderful lilac which flowers from May till October and is slow to exceed 4 ft. If you want something spectacular, try a small cream-yellow broom, *Cytisus Kewensis*. This shrub is big by the standards of a shrub in the garden, but small when measured by other members of the family. It falls slightly forwards from a maximum height of 2 ft and looks magnificent on top of a low wall late in spring.

Each of these three shrubs is selling for less than £4 each at our local garden centre, yet nobody wants them this week beside the pot-bound *chrysanthemums* and throwaway *cinerarias*. Presentation seems to be everything in the world of presents. Yet years ago somebody had the nerve to give me a pink primrose with purple leaves and apologise for the idea. Not only is it still with me — it has increased into dozens more, many of which I have given away. If we all agreed on plants, not pot plants, we could cope with Christmas at no extra cost by exploiting the green economy and supplying ourselves from stock.

Edmund Penning-Rowsell on replenishing stocks

What you should buy in a cellars market

wines — particularly clarets — with some years' maturity are less expensive than those bought when first offered here en primeur.

The other advantage of early buying is that you can be sure of buying the wines desired or recommended, and in good condition. For even if it is possible later to pick up at auction the same wines, it may not then be in the same condition as if you received it more or less direct. The auctioneers do their best to sell only wines in good state, but even they cannot always know. Also the vintage wines of, say, 1985 and 1986 that are likely to be seen in the sale-room a few years hence are more likely to be the more expensive growths — sold in hopes of a profit on original outlay — than that *crû bourgeois*, minor burgundy, or lesser Rhône that we particularly like. In general it is worth continuing to buy young vintage wines for future drinking.

We need not concern ourselves as yet about the 1986 vintage. On the whole it was a good year in Europe and, apparently, an exceptional one in California. Lots of good clarets were made in Bordeaux, and in Burgundy the whites were usually excellent. So were some reds that were picked late in the early vintage-time rains. There were good wines on the Rhône, and Alsace is claiming another good crop. Germany is more doubtful, but some very good wines were produced in Tuscany and maybe elsewhere in northern Italy.

There is no point in buying run-of-the-mill young Chiantis in spite of their "goodness" status. Veneto or north-east Italian wines, but there is a case for acquiring, as soon as it is offered, the excellent *cuvée da torola*, often produced in modest quantities, and now emerging from Tuscany and Umbria. Antinori's Tignanello

was the prototype, but a number of Chianti and Umbrian growers are making these wines, which are denied the DOC or DOGC status because they may contain such "foreign" grapes as Cabernet-Sauvignon. We are not talking here about 1986 or 1985, but about 1982 and 1983. These can be distinguished, made with as much care as the fine clarets or burgundies. They cost either side of £10 a bottle, and all good wine merchants have one or two for those of you who believe it is "safer to buy

American market, particularly for the white wines, which until now have been in great demand there. But by Côte d'Or standards 1986 was a big vintage. Nearly two-thirds of all Burgundy — excluding Beaujolais — is exported; over 40 per cent of that to the US and more than 20 per cent to the UK. In spite of the steep price fall at the Hospices de Beaune auction in November, the leading growers may be reluctant to lower their prices. (They may be forced to do so).

The 1986s may well be worth buying, but not en primeur at 1985 prices. On the other hand the 1985s are generally regarded as outstanding. Those who lack these wines should certainly acquire them from stocks still in the UK at original prices.

The same applies to 1982 and 1983 clarets. Every cellar or reserve should include these; all replacement stocks from Bordeaux must cost more. Another Bordeaux purchase worth making now is Sauternes. Its reputation and prices are rising. The vintage to buy is 1985, claimed to be the best since 1967. But if the 1985s are offered, the ones that picked late made excellent delicious wine. (Your wine merchant should know the names.) It is always a good idea to buy Sauternes in half-bottles as well as bottles, for a half-bottle will usually accommodate four people.

Another 1985 vintage to buy is from the Rhône. Some of the best will not be offered until early this coming year. Perhaps not as fine as the 1983s, yet the 1985s are certainly very good. If prices are reasonable, they are excellent value compared with many red burgundies. As for the latter, the 1982s and 1983s are probably the years to buy. The 1982s are for early drinking — the wines are light and lack concentration and

body — but the 1983s are fine for the future. Much the same applies to the whites, with the 1982s lacking acidity. Because of very hot weather, some of the 1985 white wines are rather alcoholic, but others are outstanding. Much depends upon who made them, and how they were "elevé" before bottling. Your wine merchant should know. For drinking during next year, I would certainly recommend the excellent 1985 *crûs* Beaujolais: Moulin-à-Vent, Juliéna, Fleurie, and so on. They are much superior to the 1986s — and who knows what 1987 will produce? These 1985s should be good for at least another two years.

Some of the best value in quality French wines comes from the Rhône. Most are drunk too young, especially the Côte du Rhône, some of which, these days, seem set to compete with Beaujolais Nouveau. At this level one should go for the wines with a "Villages" appellation — 17 of them — that have to have a rather higher strength than the basic ones. More important, it is a delusion that even St Joseph or Cornas can be egregiously drunk when young. Big, powerful wines, usually with good deal of the Syrah grape in them, they need eight to 10 years, and are well worth buying and keeping. The best vintages for these are 1985, 1983, 1982 and even 1980. Laying down is even more vital for Hermitage and Côte-Rôtie, but Châteauneuf are more flexible, some for fairly early drinking.

The most under-rated fine French wines are those of Alsace, with their remarkable consistency of quality. The better vintages repay keeping; for this purpose the wines to buy are a grade or so above the basic Rieslings or Gewurztraminers. The vintages to put aside are 1983 and 1985. Maybe the 1986s too if they turn out as well as predicted, and at reasonable prices.

Finally, for vintage port amateurs there is good value now, and no lack of vintages to acquire: 1983, 1982, 1977 and 1975. 1975 is already drinkable. There is uncertainty among the shippers as to whether 1985 will be a "declared" year. If so, it should certainly be added to your list of acquisitions.

Cartier advertisement featuring a watch and the text 'Cartier Ltd 175/176 NEW BOND STREET, LONDON W1. AND AT le mail de Cartier boutique: HARVEY NICHOLS, KNIGHTSBRIDGE, LONDON SW1. HARRODS LTD, KNIGHTSBRIDGE, LONDON SW1. INTER-CONTINENTAL HOTEL, HAMILTON PLACE, HYDE PARK CORNER, LONDON W1.'

Ferreira advertisement: 'Ferreira: (n) A sacred ceremony which transforms ripe grapes into ruby red nectar. Ferreira: (n) A rich red liquid sought after for its therapeutic qualities. Ferreira: THE PORT WORLD'S BEST KEPT SECRET. Available at Arthur Rackham Wine Warehouses, Oldbills, Able and Newby, Gough Brothers, Winterson, Monson, Llanberis and selected butlers by de W. at wine stores. Sole Agents: Gernis & Stowell, Part of Gernis de St. James's Ltd., Vine Court, Chalkpit Lane, Dorking, Surrey RH4 1HS.'

TOSHIBA GALLERY advertisement: 'THE MOST SPECTACULAR JAPANESE DISPLAY IN EUROPE. CLOSED 24-26 DECEMBER & 1 JANUARY. VICTORIA & ALBERT MUSEUM. THE NATIONAL MUSEUM OF ART AND DESIGN. RECORDED INFORMATION 01-581 4874. CLOSED FRIDAYS.'

CZECH & SLOVAK advertisement: 'GIFT BOXES Buy the Gift Box of your choice £2.75 or £3.25 and fill it with your own selection from our range of fine aromatic toiletries. JERMYN STREET, LONDON SW1. 10 TUNSGATE, GUILDFORD, SURREY. POSTAL SHOPPING SERVICE FAX: 01-261 7222 TELEPHONE: 01-261 7222. HAND EMBROIDERED SILK PICTURES CAN SOLVE YOUR CHRISTMAS GIFT PROBLEMS. They are unusual, start from as little as £150, are more lasting than Christmas cards and there is a huge selection. Lower Ground Floor. ALLANS FAMOUS SILK SHOP. 56-58 Duke Street, Grosvenor Square, London W1M 6HS. Mon-Fri 9-4 Sat 9-1. Tel: 01-429 3781.'

John Cherrington advertisement: 'John Cherrington ponders the perennial perils of Christmas. Of thieves and foolish virgins. Country Notes. THE best, she said. "I do it every year, it is for the church, you see." "But it is my folly," I said. "Nonsense," she said, "it belongs to God." "Perhaps," but it is my hedge," I replied, before giving orders that these bushes should be spared from the hedge cutter. I am not being unduly selfish because holly is one of the slowest growing trees. If you rip off a main stem just to get a few sprigs of holly, as many do, it may take twenty or thirty years to grow a similar quantity of holly again. Because there are three statutory holidays between Christmas Eve and New Year's Day, to say nothing of the Saturday and Sunday, we close the farm down for that period. That is, we do no regular work. But the livestock have to be fed and even if there is grass, inspected daily. Cows have to be milked. So everyone has to take a turn to drive to the council — to turn out at any time of night for those who most foolishly must drive to visit relatives when it is just starting to snow, and so on. The number of foolish virgins lost on the roads at this time is enormous. Then even on the day itself disasters can happen. We have had several power cuts over the last 50 years which make a frosty spell even worse. Three years ago an enormous board broke its leg. The pen had to be shot before we could reach it. My experience is that if anything is going wrong on a farm Christmas is when it happens. Why not turn the world upside down and have it in mid summer?'

DIVERSIONS

A real liver stopper

It's Party Time in the Workhouse. And Pa is back at the grind With a quart of booze on his breath, dear. And rather more on his mind. His hand shakes with the



Food for Thought

back of the sofa, we're at it again. New Year's Eve for many is a mildly drunken knees-up or a wildly drunken knees-up if you're in the Caledonian Club or north of the Border. For the Italians it is the principal gastronomic bash of the season, and that part of the family which was but a few days before abstemiously nibbling their cena magna arrive laden with zampone e lenticchie and other goodies, ready for the fray. Zampone, in case you didn't know, are sausages made out of a pig's foot. Sounds disgusting, tastes divine. Lenticchie are lentils, and the idea behind this is that they represent money in Italian mythology. You are supposed to eat as many as you can in order to give you good fortune in the year to come. Daft, if you ask me, but there you go.

All this may strike some of you as a bit excessive. At least I don't have to cope with devilled turkey, you may think, or turkey parties, turkey soup and cold turkey. Oh yes, I do: and with the chocolates that no one will eat and with the Christmas log that would make an admirable anchor for a small cruiser; and with the nuts that won't crack and...

Can there really once have been a time when we fell on the golden brown hillock of turkey breast with cries of delight, scrabbled for slices among the unwhimpered remains of Christmas pudding, and wept if we were not allowed thirds of brandy butter on its own?

I remember, I remember tangerines in the toe of the stocking, gold string bags of gold-wrapped chocolates like coins; and there was a period when we had a passion for dried bananas, sweet and chewy, that did disastrous things to your digestive system if you overdid things. I also remember the Milk of Magnesia to soothe things away until the next year. What price Milk of Magnesia today? No, it's Fernet Branca time, or, if you can't face that, may I recommend large quantities of quince cheese for the liver? Several French families I know swear by it.

In the end, though, I can't complain. Things could be worse. There could be a Hungarian dimension. Do you know what they get through over the Festive Season?

Peter Fort

STILL wondering what to buy for whom? Here How To Spend It comes up with some last-minute ideas—most, but not quite all, available from shops all over the country. If you're feeling extravagant this Christmas (maybe Big Bang has been good to you) and better contact with your nearest and dearest would transform his life, buy him an Excell Pocket-phone, the smallest cellphone in the world. It won't be cheap but it will mean he can ring you anytime—from in or out of the office, from the car or from the train. It measures just 7 in by 3 in by 1 in and costs £2,288.50 but if you really want to make it a proper present, pay a year's subscription at the same time (£75 a quarter). You can telephone from anywhere on Sunday, Monday or Tuesday if you have an American Express or Access card and the phone will be sent by overnight courier. Tel: 061-941-7006.

From bangles to boxer shorts: Weekend FT's round-up of quickie presents for Xmas Last gasp gifts... with love



Lucia van der Post

Anybody within reach of one of the branches of The Body Shop will find a vast selection of enticing presents to choose from, some of them exceptionally well priced. Choose from Sweet Almond Oil (75p), Peppermint Food Lotion (from 85p), Armatherapy Essential Oil (£1.95—the peppermint oil) or, for toning up the feet and activating "those zones in the foot that stimulate natural healing of the body," the Footsie Roller. In simple turned wood, made by apprentices in the workshops of Tirumangalam Boys Town in Southern India, these come in two sizes, small, £3.45 and large, £4.49.

For a teenager—Sainsbury's larger branches are selling some splendidly dotty tights—go for polka dots (white on black, black on white) 89p, black tights with contrast seams in gold, 99p.

If you should number a malt whisky fancier among your nearest and dearest and you know he or she might be in London on January 29 next year you could organise a ticket to the National Trust for Scotland's Whisky Tasting Luncheon at the Goldsmiths' Hall, Foster Lane, London EC2. Some 60 different single malt whiskies, all the finest that Scotland has to offer, will be there, including some rarely found outside Scotland. To go with the whisky and absorb the imagination of the nation, a lovely present either for the

cheeses and fruit. Tickets are £30 each from the London Office of the National Trust for Scotland, 15 Queen Anne's Gate, London SW1H 9BU. Tel: 01-232 4856.

One of the nicest last-minute presents I can think of is tickets for the theatre. Just call Tokenline (24-hour-a-day service) on 01-579 3388. Use Access, American Express, Diners Club or Visa cards, and you can order a token which entitles the recipient to use it in exchange for tickets at any one of 49 West End theatres at any time of year. Tokens can be ordered for £1, £5, £10 or any multiples of those and there is no time limit on them—they will still be valid in a couple of years' time. You can call up to December 22 and be sure (British Telecom willing) that they will arrive on time.

If you're old enough to remember the impact The Forsyte Saga made when it was first televised some 20 years ago then you'll know how it caught the imagination of the nation. A lovely present either for the

oldies who remember or for those who have never seen it, is the complete collection on video. It takes 250 minutes to view from start to finish, comes in 12 volumes at £9.99 each or £93 for the complete collection. Buy it from W. H. Smith branches with video departments, from HMV Recordshops or Virgin Megastores. If The Forsyte Saga isn't your scene, there's lots more to choose from—classics from BBC sports viewing (including the famous Borg v Gerulaitis semi-final of 1977) and some famous wildlife programmes (David Attenborough's Life on Earth). If you are nearer in a Marks and Spencer branch than W. H. Smith, they, too, are selling a small range of special BRC Videos—at just £9.99 each, they are on sale in some 100 of the largest branches and including such magical films as the Kingdom of the Ice Bear.

Of all the last-minute presents one of the nicest must be scented. Buy it in a bottle as you can afford (there is something magical about excessive quantities of something as luxurious as one's favourite scent) and if you can, buy all the matching oils and body lotions. Of the many new scents launched this year one of the most memorable is Kristina's Teatro alla Scala—it is based on a wonderfully theatrical bottle and its smell is as rich and memorable as a night at the opera. Not a scent for hating odour types—more for exotic nightbirds—it can be found in good chemists and department stores all over the country. The perfume (the strongest, most luxurious version of all) sells at £80 per 20 ml, the eau de parfum is £39.50 for 100 ml, £18 for 25 ml and the eau de toilette (most elusive, least strong) is £15 to £33.75, depending on quantity.

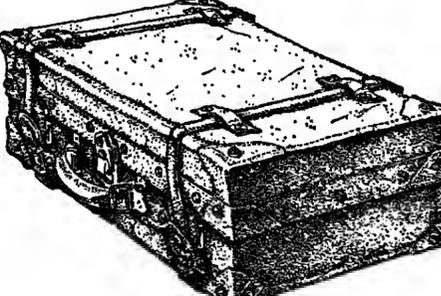
Game of the year must be How To Host A Murder—Ideally you need eight people to play the various characters and help the plot unfold, though there are a few less full subsidiary roles. Ideal not just for Christmas but for New Year's Eve entertainment. There are three murders you can host, each costs about £20 (depending upon where you buy it) but anybody wanting it urgently for Christmas can ring 0702-714559 and order it over the weekend (telephone open until 6 pm on Monday night). You then send a cheque for £19.95 (which includes p and p) to Transatlantic Marketing Company, 36 Hillway, Westcliff-on-Sea, Essex, SS08 0A. There are two others in the series if you get hooked on the idea. It is also on sale in Harrods, Hamleys, branches



If you would like to give her something glamorous to steal the show in, it takes a lot to beat black and gold. Jaeger's

swirling pleated skirt in a brocade-type fabric can be worn on its own with a simple black polo or "body" or, as

here, matched with its own black and gold long-sleeved blouse. The skirt is £149, the blouse £79, both from selected branches of Jaeger.



X:Y:Z of 74 Heath Street, London, NW3, has some of the nicest suitcases I have seen in years. The man who likes to travel the world in old-style splendour will easily recognise his very own leather case as it came off the carousel. In pure tan leather with nice straps and chrome finishing, there are linings with pockets and pouches. The cases come in four sizes, ranging in price from £92 to £189.

Chasing the bird

Cookery

CHRISTMAS is a time when the unexpected can happen. Spouses, unknown to their other halves, offer largesse to friends and colleagues at work—come round some time over the holiday—innocent of the fact that such casually issued invitations are sometimes taken up. Your best friend rings, alarmed by the fast-swelling numbers of her house party and begging to bring some of them over to you "just for an hour or two." Your children want more children to share in the fun. And so it goes on.

This is supposed to be the season of good will and it seems churlish to say no. So, the cook must be prepared. The emergency rations that appeal the most are special rather than specifically Christmas, and they have a healthily long shelf-life so that there is no urgency (other than greed) about eating them up. If there is no call for them over Christmas, you can dip into them happily in the months that follow. Prosciutto e melone is just the sort of dish—effortless and glamorous—for 11th hour situations, and I always feel deliciously reassured to have a few packets of Parma ham in the larder. No need to stock up with melon or figs especially to partner the ham. Dessert pears, mangoes, peaches or pappaya from the Christmas fruit bowl will do just as well.

I always keep eggs, Parmesan, pasta, olives and anchovies in the larder, and some sticks of frozen cream, whole leaf spinach and a few crusty loaves in the freezer. This is all the cook needs to conjure up towering soufflés, soothing soups and exquisitely simple pasta dishes at the drop of a hat. For emergency puddings, I rely on semi-dried apricots and figs. These are lusciously plump and sweet but not overwhelmingly sweet as glacé fruits are. I like to heap tangerines on one day, pile brown figs on another and fresh grapes on a third, give everyone a fork for spearing, and offer a bowl of whipped cream for dipping. The only goodie I shall actually prepare ahead as provision against emergencies is dukka, perhaps the best of all nibbles to enjoy with pre-lunch or dinner drinks. This is worth making now because it is so quick and easy and, once made,

it keeps for several months. Just reheat it briefly before serving to ensure it is aromatic and tasty. Lightly toast in a dry frying pan 1 lb hazelnut kernels, then about 2 oz sesame seeds, then about 1 oz whole coriander seeds plus 2 tablespoons cumin seeds. Mix, crush coarsely—do not reduce to a powder—then season with sea salt and black pepper. To eat dukka, hold a piece of warm French bread by the crust, dip the crumbs into a bowl of best olive oil to moisten it well, then press it into the spiced nutty mixture. Also excellent with drinks is a pungent and creamy black olive pâté, which I like to spread on thick rounds of toasted French bread. To make this, you need olives that have been steeped in oil to make them sweet. Stone and chop 9 oz of them and then process to a creamy paste with a little onion, some garlic, thyme, and about 2 oz of soft butter. Add salt, press into a pot—and if possible leave for a day before serving. This pâté is very convivial food. Offer some cheeses and fresh fruits as well and you have a happy alternative to a conventional three-course dinner—a friends picnic for evenings when you simply want to sit with friends sipping, dipping and chatting. La Bagna Cauda is also good for informal occasions when people do not want or expect a full-scale meal but would welcome a glass or three of rough red wine and a substantial snack to go with it. Warm about 4 fluid oz olive oil and 3 oz butter in an earthenware pot. Stir in three or more large, finely chopped garlic cloves and cook gently until the oil is fragrant. Add the roughly chopped contents of a can of anchovy fillets and stir over very low heat until the anchovies disintegrate. Serve with robustly flavoured sauce with plenty of hot crusty bread and some fresh raw vegetables. Keep the sauce warm by placing the pot over a night-light or spirit lamp, and let everyone help themselves, dipping bread and vegetables alternately into the communal pot. If at the end a little sauce remains in the pot, scramble a few eggs in it for a final treat.

Philipppa Davenport



How many Santas are cuddly-wifters?

If the national average is anything to go by, probably about 10%. But research shows that in ancient civilisations buck-fisted, south-pawed, in other words left-handed people, may have had the upper hand. Could it, after all, be wrong to be right and right to be left? Read The Economist's 112-page Christmas double issue. Out now, £2.



ADVERTISEMENT

SUNDAY TELEGRAPH READERS' SURVEY

Survey form with questions about newspaper preferences and a section for winning a birthday telegraph.

BOOKS

Paisley as a scourge

PAISLEY by Ed Moloney & Andy Pollak. Pp. 366. £8.95.

THE ROAD TO HILLSBOROUGH by Anthony Kenny. Pp. 141. £1.41.

PHRASES MAKE HISTORY by Conor O'Clery. Pp. 229. £14.95.

IAN PAISLEY has been the dominant figure in Northern Ireland for at least the past 15 years. Other Unionist leaders - O'Neill, Chichester-Clark, Faulkner - have come and gone. So have successive British Secretaries of State and attempts at a settlement. Paisley has outlasted them all.

Nowadays he is thought of primarily as a politician. There is also a widely-held view that the present wave of troubles in Northern Ireland began only around 1968 with the birth of the civil rights movement.

This biography by two journalists who worked for many years in Belfast suggests that both views are wrong. With Paisley, politics and religion have always gone together. The troubles began in the early 1960s almost as a direct reaction to the improvement of the general situation in Northern Ireland. Paisley sensed a new tolerance and flexibility in Ulster society and sought to combat it.

He was born in Armagh in 1926. His father was the local Baptist pastor and his mother also preached. He became a born again Christian at the age of six, having heard his mother give a sermon on the good shepherd. "I don't want to be a lost sheep," he told her. "I want to be a saved lamb. The pet in which the pair then prayed is now in his home.

Although it was originally intended that he would go into

agriculture, religion soon took over. In 1942 he entered the Barry School of Evangelism in South Wales. Less than 10 years later he was founding the Free Presbyterian Church of Ulster, a breakaway from official Presbyterianism.

The tendency to find his own movement has been a hallmark of his religious and political career throughout. His tirades have been directed not only against Rome and Dublin, but against those who might at least nominally be on his side. In 1955 he published the first regular issue of his monthly church magazine, The Revivalist. The main headline was "And who is the Bride Preparing herself?" It was directed against Presbyterians in Ballymore who had celebrated the second assembly of the World Council of Churches in the US by holding an interdenominational Protestant service.

For Paisley, official Unionism, like official Presbyterianism, contained the seeds of betrayal. Although he had dabbled (to put it mildly) in politics for many years, the grand entrance came when he launched the Democratic Unionist Party in 1971. The DUP was aimed as much at the Official Unionist Party as at any other movement. The existence of the two Unionist groups and their incessant rivalries has made the search for an Irish settlement more difficult than ever.

Yet, as Anthony Kenny, the Master of Balliol, confirms in his book The Road to Hillsborough, the decade or so prior to 1968 was not all that bad. "By the 1960s," he writes, "the Government of Northern Ireland had a number of solid achievements to point to. An IRA campaign in the border areas between 1956-62 was quietly and effectively subdued by the Royal Ulster Constabulary. The Catholic Nationalist



Ian Paisley addresses the faithful. Some new books examine his loathing of liberalism

Party was persuaded to accept the role of official opposition, and thus ended Catholic boycotts of the province's institutions. The economy was expanding down to about 6 per cent. Moloney and Pollak take the same line. As the 1950s wore on, they note, there were small signs of a "defrosting" in community antagonisms. "There were Prods (Protestants) who were drinking in bars, not many bars, but one or two bars on the lower Falls and RCs who were drinking in the Shankill area with people they worked alongside."

Their thesis, which is a powerful one, is that Paisley reacted to the spread of liberalism: to the fact that Protestant leaders were talking about a united Protestant church and ultimately a united Christian church that would include Rome, and that liberalism seemed to be spreading to politicians when Terence O'Neill, the Northern Ireland Prime Minister, met the Irish Taoiseach, Sean Lemass.

Paisley could not have done it on his own, of course. He needed a following and that has always been there. What he represents is a unique blend of Unionism and Protestantism, resisting all-comers and with few positive proposals. His support goes up and down, depending on what is happening, but Moloney and Pollak write accurately: "The DUP vote has become a barometer of Protestant angst."

From time to time there has been talk of a "new Paisley," a man who, having made his mark, would agree to work towards a settlement. There was a flicker of this in 1979 when Humphrey Atkins was Secretary of State and Paisley agreed to attend its constitutional conference. But it has never lasted long. The new Paisley turns out to be the same as the old, a man capable of uncannily representing his people's protests and resentments, but not of leading them to new pastures.

Nor is there much hope for the future if, as he widely

assumed, Paisley eventually succeeded by his deputy, Peter Robinson. The portrait of Robinson in the Moloney and Pollak book shows a man closer to the darker side of Unionism, more ruthless, more efficient and perhaps more ready to contemplate a unilateral declaration of independence.

It is this intractable element of Unionism that seems to defy the Master of Balliol in his eminently reasonable book on the shaping of last year's Anglo-Irish Agreement. Kenny is in favour of the Agreement but calls it "one-sided since the wish of the British Government to keep Northern Ireland within the UK was not spelt out in the same explicit form as its willingness to agree to a united Ireland if the province's population should opt for that. "It is clear," he writes, "that the argument for retaining the Union is now almost entirely a moral one."

My own view is that there is not much choice, moral or otherwise. There is no evidence

that Paisley would have accepted any agreement that was possibly on offer and none, so far, that the Official Unionists are prepared to stand up to him. Meanwhile, it is at least an advance that London and Dublin can work together.

In the circumstances, it is perhaps not surprising that something seems to have happened to the Irish sense of humour. Phrases Make History Here is a century of Irish political quotations admirably compiled by Conor O'Clery, the London Editor of the Irish Times, and can be read straight through as oral history. But there is not much to make you laugh, only the long grind of "Ulster will fight; Ulster will be right," which comes from Lord Randolph Churchill, yet might just as well have been Paisley's own.

Oddly enough, Paisley can at times be both charming and amusing. Moloney and Pollak tell the rest of the story.

Malcolm Rutherford

Re-thinking work-patterns

DISORGANISED CAPITALISM by Clause Offe. Pp. 366. £8.95.

AFTER FULL EMPLOYMENT by John Keane and John Owens. Pp. 198. £6.95.

QUESTIONING KEYNESIANS, in search of routes out of mass unemployment have taken flight in three directions. One group are attempting to integrate some of the methods of monetarism into traditional Keynesianism. They admit that nominal targets like money GDP, some measures of the money supply, should play a role in drawing up macro-economic policy, and that wages can influence the level of employment.

A second group have turned to the long neglected supply side of the economy, spawning plans for investment boards to modernise the industrial base.

What they have in common is the belief that full employment is possible. If the economic tools can be sharpened, perhaps the most interesting group is the third - who question whether full employment as we have known it is attainable, or even desirable.

The most articulate proponent of this approach is the German social scientist Clause Offe, whose work on the development of the welfare state has led to this collection of essays on the future of employment.

Offe's argument is that in the years of full employment the social contract was based on the freedom of choice through the labour market. The market efficiently allocated workers to work, and rewarded them with an income.

The persistence of mass unemployment does not just challenge the power of classical or Keynesian economic policies to create employment. It challenges the centrality of the market however it is reformed or managed. Mass unemployment denies millions of people the freedom to consume, to have holidays.

In response to this, Offe argues these societies will need to find a new way of matching workers, work and income. Already millions of people throughout Europe are finding new ways to work, outside the "formal" labour market. In the black economy or voluntary work.

By encouraging more people to take up this kind of activity, rather than pursuing formal jobs that the labour market cannot deliver, we might be able to find our way out of the unemployment crisis.

A major stumbling block is that much of this work does not carry a sufficient income to attract more people into this

informal, grey world. Offe's answer is that the state should reform the social security system to provide everyone with a basic income. For those in "formal" employment this would replace a proportion of their income tax allowances. For those in the "informal" economy it would be their main source of income.

The idea of a basic income guarantee is winning converts throughout Europe. But it presents a major challenge to how these societies would be organised, for the state would need to supply the market in allocating income and work. But this strategy does not just challenge free marketeers. It also challenges the traditional left, which believes in the centrality of the one and indivisible, working class. Traditionally socialists have believed that workers, united by their common experience of exploitation in wage labour, are natural supporters of socialism.

However, a new division is opening up between the "insiders" at work within the formal economy in secure jobs with growing earnings, and the "outsiders" - the unemployed and peripheral workers, who live with insecurity and low incomes, argues Keane and Owens in After Full Employment.

With the "insiders" doing precious little (for instance by moderating their pay rises) to allow the "outsiders" into the citadel of formal jobs, down goes one of the central assumptions of the kind of class socialism that workers with common interests stand together in solidarity.

A socialism of the 1990s, Keane and Owens argue, should be partly based on the rejection of exploitative employment, rather than trying to create more of it in the name of full employment.

There are enormous problems with this approach. A half decent basic income will require higher taxation on those in work. Unemployed male manual workers, bred in the culture of manufacturing, may not want to be shuffled into community work, or told that they should pursue their hobbies. Moreover the national accounts have no way of assessing the value of the output produced by this informal work. Is this non-market work really a way to use idle resources, or just a way to acceptably mask their waste?

In sum, is not this rejection of full employment just an attractive, utopian, diversion? Offe's reply: with unemployment in Europe stuck at record levels, the believers in full employment are the utopians.

Charles Leadbeater

Two Victorian yarn-spinners

THE STARS AND THE STILLNESS: PORTRAIT OF GEORGE MACDONALD by Kathy Triggs. Pp. 182. £11.95.

THE GOLD KEY AND THE GREEN LIFE by George MacDonald and Fiona Macleod. Pp. 222. £9.95.

IN HIS friend Lewis Carroll's photographs, George MacDonald appears with flowing beard, surrounded by his 11 children, looking every inch the Victorian patriarch; in fact he was more of a prophet, a man whose personal convictions set him at odds with his society and its materialism. He was a man who cultivated his spiritual garden, and his best work charts inner worlds, the worlds of dream and symbol. C. S. Lewis and W. H. Auden admired him as the most "mythopoeic" of writers.

The Stars and the Stillness: Kathy Triggs provides a portrait of him, an account of his life that draws chiefly on his own Greville's memoir and his own patchy autobiographical fiction for material. MacDonald, like Carlyle, grew up in small-town Scotland, close to mountains and streams. There was consumption in his family, and his mother died of it when he was eight - other brothers and sisters were to follow her. Though George himself lived to be 80, he suffered serious attacks of it all his life. His family were strict Calvinists, and from childhood religion was the focus of his life; he loathed the theological harshness of the faith he had grown up with, but he was a Broad Church religion of love, charity and good works, yet he was sometimes harsh on the spiritually blind.

Trained as a minister, he was too unorthodox for his flock and was obliged to support his growing family by teaching, lecturing and writing. An early patron was Lady Byron, still

tormented in old age by guilt at the failure of her marriage, guilt that MacDonald attempted to assuage. Lewis Carroll, a family friend, photographed his small daughters, recording the clouds of wild hair and curls ("It won't be done, smooth!"). Ruskin was another, and the example of either or both may have encouraged MacDonald to write for children.

With his daughters, MacDonald was lovingly possessive and he could sympathise sufficiently with Ruskin's passion for the adolescent Rose La Touche to allow clandestine meetings at his house, after her mother had forbidden any further communication between them. All this and more Kathy Triggs outlines in a useful, if rather unexciting manner. Her book will certainly interest anyone unfamiliar with the details of MacDonald's life, but she has little to add to existing sources.

The task of wading through the thousands of family letters at Huntly and Yale still awaits a more serious biographer. The flatness of the narrative is continuously illuminated by quotation, and Kathy Triggs is clearly familiar with MacDonald's large fictional output (much of it now entirely forgotten) but she lacks critical perception, and even the discussion of his best books seldom get beyond a summary of plot and theme. Yet these - Phantastes, Lilith and The Princess and the Goblin are an extraordinary and indeed unique visionary power. They are irradiated with that dreamlike intensity present in the tales of E. V. Rieu, or, intermittently, to the paintings of the pre-Raphaelites. He shares their passionately exact observation of nature, which he weaves into mythical, ideal or fantastic scenes, often curiously tinged with sensuality. Like the pre-Raphaelites, his scenes from daily life can be animated by an indignation that degenerates into sentiment or even



One of Arthur Hughes' illustrations for the first edition of The Gold Key

mawkishness. Though MacDonald lived most of his life in London, he abhorred the social evils and spiritual deprivation that he found there. Lacking an aesthetic that allowed him to ignore his circumstances, he escaped into his own world of moon, wind and stars, of shadows, caverns and tunnels and of the tender, caressing mother who manifests God's love. Yet even in his children's books, he is still the prophet who cannot ignore the crimes and follies of his age. The Princess and Curdie ends with a dark parable as the citizens, in their greed, mine away the foundations of their own city:

One day at noon, when life was at its highest, the whole city fell with a roaring crash. The cries of men and the shrieks of women went up with its dust, and then there was a great silence.

The second book, The Gold

Key and the Green Life, is a selection of fantasy stories by George MacDonald and the Scottish writer William Sharp who reversed the usual pattern of literary pseudonyms, but this selection from MacDonald includes three passages from his novels Lilith and Phantastes, rather than less familiar novels or short stories, and the introductions by Elizabeth Sunderland are scrappy, repetitive, inadequately informed, and insensitive and indiscriminate in their judgments. There is more to be said about both these writers than either of these books suggests, but in the meantime, disappointing though they are, they serve to whet the appetite for more.

Julia Briggs

Fiction Troubled and disturbed

RUTH by Jeremy Cooper. Pp. 187. £9.95.

THE WAY-PAVER by Anne Devlin. Pp. 151. £8.95.

STORIES by Sergio Ramirez. Pp. 118. £3.95.

REVOLUTIONS OF THE NIGHT by Alan Burns. Pp. 295. £9.95.

RUTH, THE eponymous heroine of Jeremy Cooper's remarkably assured first novel, is a talented artist, living with her mother in a big house at the foot of Glastonbury Tor. She is good enough to exhibit at the Royal Academy, good enough indeed to make a success of her career and her life if she can only come to terms with the debilitating mental illness which has torn her apart for the last 13 years, ever since she was 18.

It is a question of chemical imbalance, the doctors tell her, a problem with her metabolism that will probably right itself when she reaches 30. Ruth feeds on their words and lives in hope. She is a nice woman, still a virgin, in love with her childhood sweetheart but unwilling to inflict herself on him - or anybody - in her present condition. One day, she promises herself, during one of her increasingly rare periods of lucidity, one day when all this is over.

But her hopes come to nothing. Ruth steels herself for a cocktail party, a dinner invitation, parish work, anything to show that she can behave normally. All to no avail. She kills a hen and spatters its blood across the wall, smashes furniture, beats her mother unconscious with a dustpan brush. She is carted off to the security ward and held down by three attendants.

A depressing scenario on the face of it, yet very sensitively handled by Jeremy Cooper. The key to the whole business lies in the painting of the dust wrapper. It belongs to the author, though attributed to Ruth in the book, and was given to him by the artist, who herself died as a result of mental illness. This is clearly a very personal tale, a private memorial, but none the worse for that, in fact probably rather better. The author tackles a difficult theme with great insight, first-hand knowledge, and the result is a good debut and an impressive book.

Impressive too is Anne Devlin, whose first collection of short stories The Way-Paver hinges mainly on Northern Ireland and draws heavily, but without partisanship, on her own Roman Catholic background. In one story a girl deliberately betrays her boy

friend to the IRA because his father is a judge. She can offer no rational explanation, even to herself, for her action. In another a Catholic girl goes to live with an Englishman in a Protestant street and is threatened by her neighbours because the postman has discovered her Fenian name.

Yet there is more to these stories than simply the Troubles. Dreams, adultery, divorce, a spell in a mental institution, the memory of a childhood tragedy recalled by the smell of oranges - she has a macabre, slightly chilling imagination which leaves one feeling, thoroughly uncomfortable as well as whittly engrossed. One or two of the stories are a little too intricate for their own good, and there is a tendency for all the narrators to speak with the same voice, but the overall impression is of an upmarket, talented writer of considerable individuality and charm - if sometimes a little less.

Less bleak, more whimsical, is the Nicaraguan author Sergio Ramirez, now returning to literature after a 10-year absence during which he took part in a revolution and became Vice President of his country. The eight stories presented here are said to explore the painful condition of a Latin American locked in to a "yanqui" culture, but in fact they are less apocalyptic than this description might suggest.

A man is indeed taken away to be shot in one, and two elderly homosexuals live in fear of an attack on their house in another, but the mood is mostly good-humoured, whether it be a young musclebuilder disillusioned by his meeting with an ailing Charles Atlas, the political ramifications of a sudden fall of snow in Nicaragua, or the excitement at the country club when it looks as if Jackie Kennedy might pop in for a visit. The stories are occasionally uneven, and shot through with allegory. On the whole, though, they are a good deal easier to read than much of the literature which emerges from Latin America.

Alan Burns's Revolutions of the Night is a brave attempt to bring surrealism to the printed page in the form of a flying saucer, a dog with the smiling head of a baboon, a duck's web-foot where a lady's fan ought to be - all sorts of extraordinary images in flight, buttressing a relatively slight tale about the break-up of a family after the mother's death and the father's remarriage to a hated step-mother. The author teaches creative writing at the University of Minnesota and evidently recognises an obligation to push back the frontiers of literature. The less adventurous among us can salute his courage and wish him better luck next time.

Nicholas Best

SECRETS OF STRANGERS by Alice Thomas Ellis and Tom Pitt-Aikens. Pp. 216. £12.95.

HERE IS an opportunity few of us usually have actually to observe the transactions between an analyst and clients. Alice Thomas Ellis is known as a novelist and journalist for her acute recording of domestic life on this earth and for her light touch in charting strange happenings just beyond the reach of ordinary mortals. For this book she persuaded her analyst, Tom Pitt-Aikens, to let her read the transcripts of therapeutic meetings with the Hutton family which were held over a period of several years and which were initially called to consider their disturbed son, Geoffrey.

The psychiatrist agreed the writer's summaries of 36 meetings which form the chapters of the book. At the end of each

Son's plight

she gives comments and interpretation. In 1983, for the last three meetings recorded, she was present as a "writer and participant observer."

The effect of the book is to leave the reader confused and worried, rather like the child must feel who at last manages to see the primal scene. Geoffrey was referred at six years of age to a child-guidance clinic for pilfering. After numerous assessments, difficulty at school, bed-wetting and appearances before the juvenile court, we first find him at 15, admitted to a Community Home with education on the premises where Tom Pitt-Aikens is the consultant psychiatrist. In the course of the seven years we observe him graduate to further stealing, indecent exposure, transvestism, arson, Borstal and eventually

fatherhood. Like many young delinquents it looks as if he may in the end grow out of crime, despite rather than because of any intervention in his life.

So what was the point of his ostensibly decent, caring parents meeting the psychiatrist every three months and talking with a changing cast of social workers and family members, including Geoffrey sometimes but by no means always? The rationale behind this treatment is comprehensible. The delinquent child is not a free agent but an "empty vessel" who receives and then acts out the evil emanating from concealed family problems and tensions. In the course of the meetings we learn, for example, that Hutton's older brother committed suicide, aged 17, after his father had died. The trouble is that although we wait agast to know

whether Sean, Geoffrey's older brother, is going to imitate his late uncle, we long to interrogate the proceedings, as Mrs Hutton once did, to say that as all the family's worry lay with Geoffrey, Tom Pitt-Aikens, being the expert, "should tell people what to do."

It is clear from the book, however, that the prose and the behaviour meshed, the reader becomes with the symptomatic characters, that the family's nastid affect and was damaging its present. In the long term it was right to spend time sorting out the past but for Geoffrey's sake it seems sad and deplorable that a kindly behaviourist could not have entered the scene at an early stage and, while the therapy was continuing, suggested more immediate ways for everyone to change behaviour patterns for mutual benefit. Or, in a form of denying the problem to be so practical?

Sarah Preston

WEEKEND FT

SPORT

Black players have yet to make their mark in British football. Brian Bollen reports

Why soccer's Black Explosion misfired

WHATEVER HAPPENED to the Black Explosion? When Nottingham Forest right-back Viv Anderson became the first black player to represent England at full international level on November 29 1978, the six was full of predictions that English soccer stood on the verge of an exciting new era, and that within a decade the England side would be full of blacks.

It has not happened. Eight years on, Anderson, now with Arsenal, is one of only two black players who are England regulars. The other is John Barnes of Watford, whose place is under threat unless he can produce more consistently the form of which he is capable.

Anderson's tally of caps stands at a mere 24 while his Highbury colleague, Kenny Sansom, has totted up 73 appearances at left-back since his own England debut in May 1979. Sansom played in six out of England's total of 10 matches in the 1982 and 1986 World Cup finals. Anderson played in neither. Indeed, Barnes's fleeting appearance as a late (but highly effective) substitute against Argentina in the summer was the first by a black player for England in the World Cup finals.

A close study of statistics shows that blacks are making their presence felt in the English international side, but not in the dramatic way envisaged eight years ago. Blacks account for under 5 per cent of total appearances since Anderson broke through. The maximum number to play in one match is three, on three occasions.

The record so far, then, is evidence of an advance but not an explosion. A flick through the team photographs in the latest Rothmans Football Yearbook shows that of 429 players with First Division clubs, fewer than 5 per cent are black. The casualty rate at the top is high. There have been 62 debutants since November 1978, of whom 16 per cent were black. But 10 players have won only one cap, two of them black.

Seventy per cent of blacks capped have failed to reach double figures, as have 65 per cent of white debuts; while six black players can muster only 17 caps between them and two have only one apiece.

Bobby Robson, the England manager, has experimented with no fewer than 63 players in 41 years in charge. Nine have been black. In the boom period of February 1982 to May 1983 six black players made their debut, but all except Barnes (so far) have fallen by the wayside. Despite the near hysteria surrounding what was seen as a bold move, however, these players accounted for only 8.3 per cent of caps won in those two years.

In 1984, blacks accounted for 15.35 per cent of England appearances, a figure that slipped to 9 per cent in 1985, falling to under 7 per cent this year with blacks accounting for a meagre 1.5 per cent of 65 England appearances in the World Cup finals.

Continued from Page 1

well as the famous hot baths in the wooded. Our Slakan custom requires that afterwards you take a quick roll in the snow, and then afterward it is best to jump in the lake.

Truly winter in Slaka is our happiest time, though also is spring, summer and autumn. Our are crisp but briskish, which is why we advise you to bring a furpiece and perhaps wear a rubber on your foot. And if outdoor sports are not for you, then explore the treasures of the great city of Slaka itself. Slaka is a shopper's paradise. Our shops do not like to flout their goodies, but with dollars to spend you will find no problem in getting all you desire: toys for the young and old, French perfums for both sexes, the marvellous Slakan neckties and all kinds of underwears, and even microdot oves and IBM-incompatible computers. In the foreign currency shops, WIGWOK, even the best Western videos are available, including the great Bond films and the incomparable "Two Ronnies".

Also, though religious practices are found unsuitable by our progressive materialist people, who keep their eyes always on the future, we are a historical folk also, and like to maintain a certain tradition. So, in respect for the

kind of Christmas, and this year we make one exciting change to our praxis. In the past it has to be admitted (we do not mind to admit our past mistakes!) our people liked to celebrate their great festivity with the spiritous help of our peach brandy, notviti, which was definitely not to be missed. Now with the enlightenment ara of our great Soviet brother Comrade Gorbachov we like to make a new policy, "Do not drink, and thrive." This year we mean, at least officially, to make our festivity season truly non-spiritous. Our aim is progressive and we know you care to join us. When we drink in Slaka, we like always to make toast. So, raising our glasses of Schveppli, we say to you, "to brotherhood, amity and cocovity. This year, Christmas to Slaka. Velki, velki, jo Slakam!" Why not come there proot? It is still not too late!!! And if you miss the winter, there is always the summer, our festivity season, when our pheasants like to leave their fields and our workers their heroic labour for the many festivity for which Slaka is so infamously!!!

Malcolm Bradbury first discovered Slaka in his 1983 novel, "Rates of Exchange." He has just published "Why Come to Slaka?" (Secker and Warburg, £5.85).



past. Slakans always like in the later days of December to raise small trees in their houses, often decorating them with the lights and candles of their pheasant heritance. This is also a time when some small presents are given, especially to the toddlers, who wait wide-eyed in their beds for St Valpadio to come knocking at the door with his sack of favours. In our home games of all kinds are often played, a large meal of boar or some game bird is availed, and naturally dozes by pheasants to regional costumes are tirelessly performed. Yes, truly Slaka offers you a different

SATURDAY

Indicates programmes in black and white

BBC 1
8.30 am The Family News, 8.35 The Muppet Babies, 9.00 Saturday Superstore, 12.15 pm Grandstand, 12.20 Football Focus, 1.00 Racing from Cheltenham, 1.10 Sports Review, 1.20 Racing, 1.40 Sports Review, 2.05 Racing, 2.15 Rugby League, 2.35 Ice Hockey, 3.05 Rugby League, 3.35 Ice Hockey, 3.45 News, 4.05 Final Score, 5.05 News, 5.15 Regional programmes, 5.20 Bob's Full House, 5.55 Film: Oliver!, 6.15 The Postman, 6.30 News, 6.45 Causty, 6.50 News, 7.00 Sports, 7.05 Sir Harry - A Celebration, 7.15 Film: Tarzan, the Ape Man, 1.05-1.10 am Weather.

The Making of Santa Claus - The Movie, 12.00 News, 12.05 am Sainsbury's, 12.10 News, 12.15 Comedy Classic: Plessa Sir, 2.45 Gymnastics, 4.45 Results Service, 5.00 News, 5.05 Black-bustards, 5.35 The A-Team, 6.30 Beagle's About, 7.00 The Price is Right, 8.00 Laughs from Her Majesty's, 8.10 News, 8.15 United States, 8.20 Evansen, 10.15 Movie Premiere: Trading Places, 12.25 am When the Music Over, 1.20 am Night Thoughts.

leka, 2.10 pm Equinox, 13.10 Film: My Foolish Heart, 5.00 A Closer Encounter, 5.00 Children's Calendar, 5.30 World Alive: Spain, 7.00 Make Your Own Video, 7.30 Oydaydair Meir, 7.35 Newyddion, 7.50 Seintiaur O'ello, 8.25 Swirlwm Bro, 8.25 Y Muez Chwara, 10.15 Gwyf Gerawl Cymru, 1986, 11.15 Seap, 11.45-12.40 am The Twilight Zone.

SCOTTISH
1.25 am Late Call, 11.57 am TVS Weather, 1.30 The Fall Guy, 12.25-1.25 am The Who - The Final Concert.

BBC RADIO 3
7.00 am News, 7.05 Aube: Oellus, Vaughan Williams, Martinu, Bizet, Bach, 8.00 News, 8.05 Record Review: Bach's Christmas Oratorio, 10.15 Stars of the Week, 10.35 From Our Own Piano, 11.45 Robert Mayer Concert: The LP and Christopherson, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5.45 Critics' Forum, 8.35 Lizz: Cheryl Strauss, 1.00 pm News, 1.05 A Czech Christmas: Anon, Carnofsky, Michna, Vachek, Vlasak, 2.15 The Schubert Piano Sonatas, 3.00 Langham Chamber Orchestra: Respighi (Ancient Airs and Dances Suite No. 3) and Black (Concertos grossa), 3.45 District Facilities: Oleskai: An all Beethoven programme from 1985, 5.00 Jazz Record Requests, 5